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Terrorist Activity

Russia: Chechnya Willing To Ransom Soldiers' Release

LD1402105296 Moscow ITAR-TASS World Service in Russian 0950 GMT 14 Feb 96

[By Mansur Magomadov]

[FBIS Translated Text] Groznyy, 14 Feb (ITAR-TASS) — A meeting will be held today in the Chechen settlement of Novogroznenskiy between representatives of the Chechen government and leaders of Dudayev's headquarters. The main issue to be discussed is the agreement of terms for the release of the 12 militiamen from Novosibirsk, taken hostage by gunmen in the village of Pervomayskoye. Abdula Bugayev, Chechen deputy prime minister, said this in an interview.

"Today's meeting in Novogroznenskiy," he said, "is being held within the framework of efforts by the republic's leadership toward the speedy release of the Siberian militiamen."

Bugayev said that an active dialogue with Dudayev's side has been conducted since 10 February. "The head of the republic, Doku Zavgayev, went to Novogroznenskiy then, and met with the gunmen," the deputy premier noted. "Three protocols were signed at the end of his visit."

Bugayev stated that the Chechen government was willing to pay a ransom for the Siberian militiamen or to exchange them for gunmen taken prisoner by the republic's law enforcement bodies and being held in Chechnya.

The 12 militiamen have been held by the gunmen since 10 January. In addition to them, Dudayev's men are holding a further 28 soldiers of the federal forces who are hidden in a settlement in Shatoy.

Russia: Duma Amnesties Chechen 'Bandits' for Hostage Return

MM1402121496 Moscow ROSSIYSKAYA GAZETA in Russian 14 Feb 96 p 3

[Unattributed report under "In the State Duma" rubric: "Price of Freeing Hostages Is Amnesty for Bandits"]

[FBIS Translated Text] Believing that all other possibilities of freeing by peaceful means the people forcibly held on Chechen Republic territory by illegal armed formations have been exhausted, the State Duma has adopted a decree declaring an amnesty for the bandits.

It has been decided to absolve of criminal responsibility the people who have been detained and arrested in connection with the unlawful actions in the city of Kizlyar and the village of Pervomayskoye in January 1996, on the condition that all people captured and forcibly held by illegal armed formations are released. The decree comes into force at the time of signature — 9 February 1996 — and is to be implemented in accordance with the State Duma Decree "On the Procedure for Applying the Russian Federation Federal Assembly State Duma Decree 'On the Declaration of an Amnesty in Respect of the People Who Participated in Unlawful Actions Associated With the Armed Conflict on Republic of Dagestan Territory in January 1996.'"

The latter prescribes that the act of amnesty will cover people who committed unlawful acts on Republic of Dagestan territory as members of illegal armed formations in the period 9 through 18 January 1996 in the city of Kizlyar and the village of Pervomayskoye and who are now in custody in connection with the criminal case being investigated by the Russian Federation General Prosecutor's Office. The amnesty does not apply to people whose crimes are not associated with participation in the said unlawful actions. The category of people captured and forcibly held by illegal armed formations encompasses citizens of the Russian Federation and other states and stateless persons. Responsibility for implementing the amnesty decree rests with the Russian Federation General Prosecutor's Office and Ministry of Internal Affairs.

The act of amnesty does not apply if the condition for the release of all people captured and forcibly held on Chechen Republic territory by illegal armed formations is not met.

Russia: Pro-Dudayev Opposition To Organize Another Rally

LD1402094996 Moscow ITAR-TASS in English 0803 GMT 14 Feb 96

[By Oleg Artyushin, Sergey Bazhenov, Sergey Trofimov]

[FBIS Transcribed Text] GROZNYY, February 14 (ITAR-TASS) — The pro-Dudayev opposition forces are going to organize another rally in the centre of Groznyy on February 22-23, on the occasion of the 52nd anniversary of the deportation of Chechens, a high-ranking officer of the Chechen Interior Ministry told Tass. Some 10,000 people may take part in it.

In order to prevent the heightening of tension in Groznyy, the Chechen government is contemplating a possibility of giving a permission to hold the rally. Preliminary consultations were held with the opposition, so that representatives of both sides would help maintain order during the rally.

The Interior Ministry officer believes that leaders of the Chechen Republic, the elders and other influential people might address the rally. In his opinion, this could promote the stabilization of the situation in society and the deepening of the dialogue between various Chechen groups.

Russia: Attempt To Hold Rally in Groznyy Fails

LD1302151396 Moscow Radio Rossii Network in Russian 1400 GMT 13 Feb 96

[FBIS Translated Text] An attempt undertaken today by several dozens of Dudayev supporters to resume the anti-government rally in the center of Groznyy ended in failure. Its participants, a RIA news correspondent learned from sources in the Chechen Interior Ministry dispersed after failing to obtain the expected reinforcements from other districts of the republic. The agency points out that evidently this was one of the results of further tightening-up of the controls at the checkpoints coming into the city.

Russia: Minister: 'Dollar Fund' Used To Instigate Rallies

LD1302230196 Moscow ITAR-TASS in English 2149 GMT 13 Feb 96

[By Sharip Asyuyev and Sergey Trofimov]

[FBIS Transcribed Text] GROZNYY, February 14 (ITAR-TASS) — A 500,000 dollar fund has been used in instigating the rallies which raged in Groznyy over the last week, Chechen Interior Minister Khamid Inalov said at a government meeting on Tuesday.

According to Inalov, this money was brought by Adam Albakov, who was the managing director of Groznyy's refinery at the time when Dudayev was at helm.

He said Albakov came with the money when Groznyy was in the second day of rallying.

While in an earlier report the Chechen Interior Ministry said the rallies convened at best 3,000 people protesting the presence of federal troops in Chechnya, Inalov said today that 83 buses entered Groznyy carrying up to 15,000 people on February 4.

He said identities of the instigators had been known by now, and a criminal case on them started on charges of undermining the authority of the government and police.

Russia: Fradulent Funding for Dudayev Probed

MM1202170596 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9-16 Feb 96 p 5

[Article by Leonid Krutakov under the rubric "The KOMSOMOLSKAYA PRAVDA Investigation": "On Blood. Few People Know That Basayev's First Act in Budennovsk Was To Seize Not the Maternity Home, But A Bank. Why?"]

[FBIS Translated Text]

Chronicle of "Aid" to Chechnya. 1991-1993

On 9 February 1995 Oleg Soskovets signed government decision no. P11-12. This instructed the Ministry of Finances, the Ministry of Justice, the MVD [Ministry of Internal Affairs], and other ministries and departments to establish and to close off the sources of the funding of illegal armed formations in the Chechen Republic.

Esteemed Oleg Nikolayevich, we can suggest some of these sources to you. Don't spare the effort to take up government directives for 1991 to 1993 on the delivery of oil to rebellious Ichkeria [Chechnya] and see whose signatures are on them!

Throughout those years Groznyy's oil refineries were 80 percent supplied with Russian raw materials. Oil was shipped to Groznyy in tankers over the Caspian from far-off Mangyshlak [Kazakhstan], splashed in tank cars rushing there from still more distant Tyumen, and streamed along the oil pipelines from Rostov and Stavropol. In 1992 alone Groznyy received over 7 million tonnes of petroleum products.

Even if this oil was sold in its crude form, that would bring in on average something in the order of $2.5 billion.

But the most important question, Oleg Nikolayevich, is: Where did the petroleum products go from Groznyy? Among the recipients you will find many joint ventures, and not a single (!) Russian enterprise. It is even more interesting to trace the receipt of money for the petroleum products. Only around 5 percent of the value of the raw materials shipped out returned to the republic. To take an example — the $4.5 million deal with the "Madzhess" Soviet-Libyan joint venture, of which only $200,000 was used to purchase agricultural equipment in the Netherlands.

All this, of course, could be put down to supporting Chechnya's young democracy. Just look what period of time we are talking about! The SCSE [State Committee for the State of Emergency] had just been overthrown in Moscow, and in Groznyy Dudayev had finished off Zavgayev, who had supported the putschists. "Freedom is a naked orphan" — that, of course, is about Chechnya. But not its president.

The Federal Security Service estimates Dudayev's personal wealth at $10 billion. To what extent the bank accounts of the Russian functionaries (who authorized the oil deliveries to Chechnya) have "turned green" [i.e. have been enriched with dollars] is anyone's guess.

KOMSOMOLSKAYA PRAVDA has written many times about Chechnya's rivers of oil and river banks of dollars. But few people know that, until very recently, the outlaw republic was funded directly from the Russian budget. In 1993 alone, for example, independent Ichkeria received 12 billion rubles [R] from the state purse. But there were also one-shot payments.

On 20 July 1992 Vladimir Shumeyko, first deputy chairman of the Russian Government, signed directive No. P34-109, by which R500 million in cash were allocated to Chechnya. On 15 March 1993 another deputy chairman, Sergey Shakhray, signed letter No. P30-66, by which a further R2.5 billion were sent to Groznyy in cash. This was a time when schools and hospitals were closing in Chechnya, when old people were not receiving pensions, when heating was shut down in Groznyy, and Russians were leaving the republic.

Ah, where were you then, Sergey Adamovich [Shakhray]?

Dudayev, while regularly receiving money from Moscow, justified the destruction by reference to...an economic blockade on the part Russia. And what of Russia? Those who were in Groznyy in those days know with what enviable constancy the heavily laden military transports thudded into the local airfield. This was the time when Karabakh was ablaze and little Ossetia and Abkhazia were successfully waging war against Georgia. Where Transcaucasia came by so many weapons and so much solar oil for tanks remains a mystery to this day.

Where were you looking then, Mr. Yushenkov?

Don't believe it if anyone tells you that in 1995 the Russian Army, which was triumphantly routing Dudayev's supporters, was stopped by the charity of the Kremlin authorities. The Army was stopped by the Russian functionaries' instinct for self-preservation. Who knows what financial documents might have come to light if anything happened (God forbid!) to Dzhokhar Musayevich [Dudayev]?

Incidentally, the Russian Air Force inflicted its first bomb strike against Groznyy on the building of the Central Bank of Chechnya, its second on the Committee for National Security. And only then did it bomb the president's palace.

Chronicle of Aid to Chechnya. 1994.

Those who claim that the operation to seize Groznyy was totally unprepared are either lying or mistaken. The war in Chechnya was prepared thoroughly and planned a long time in advance. They kept Dudayev in their sights for almost a year, awaiting orders. Finally the order came: "Attack!"

But this year had not been spent in vain.

In May to June 1994 the Russian Pension Fund sent three telegraphic transfers [perevodimyye telegramy] to the total value of R20 billion to its Stavropol department. The cause: written requests from medical institutions and the government of the Chechen-Ingush Autonomous Soviet Socialist Republic — for the payment of pensions and benefits. The letters, it was later revealed, were forgeries. But the money, which was sent to local firms run by Chechens, was hard cash.

From the KOMSOMOLSKAYA PRAVDA Dossier

The firm "Viks Kolousova", having received R368 million from the Stavropol Pension Fund, sent them to the Moscow firm "Brig"; after "encashment" the money was returned.

The "Stals" limited partnership received R120 million for a boarding school; the "Vityaz" limited partnership received R120 million for a psychiatric hospital; and the "GIAST" limited company R50 million for pensions.

It is not known what precisely happened to these funds. On the other hand, it is known that on the eve of military operations the oppositionist Avturkhanov and the Dudayev loyalist Yandarbiyev successively visited the head of the Pension Fund's Stavropol department to request financial aid.

And another coincidence: When the special services received the "okay" to investigate the aforementioned machinations, Basayev launched the campaign against Budennovsk. And he conscientiously destroyed the local bank through which the Pension Fund transacted the bulk of its payments. Perhaps it is a coincidence, but Basayev did not touch Budennovsk's other banks.

On the eve of the assault on Groznyy Chechnya and neighboring regions were inundated by a turbulent financial current. The "Kredo Bank" alone — and in August through December 1994 alone — issued to its own branches and other commercial banks situated in the conflict zone around $62 million in cash (and that is only the money that was documented). The ruble reimbursement was returned to Moscow by noncash transfer. The difference in the Moscow and Groznyy exchange rates alone brought in R180 million in unrecorded profit. But in the wider picture, that is chicken feed...

On 21 December two officials of the "Doninvest" bank, who were conveying to Chechnya $700,000 received from the "Teknobank" without the appropriate documents, were arrested at "Vnukovo" [Airport]. On the same day three officials of "Kredo Bank's" Makhachkala branch carrying $1 million in their baggage were arrested.

According to the information of the law enforcement organs, between $1 million and $10 million were conveyed in cash every day to Groznyy, Makhachkala, and Krasnodar via "Vnukovo" alone. The couriers were usually women. The local police department periodically arrested the "cashiers." But within a day or two documents were found from exchange offices or Moscow banks, and the arrestees were released.

In connection with this, the MVD notes one detail. Whereas before the war aircraft were hijacked with ransom demands almost every week in Chechnya, now Tu-154's fly to Groznyy literally packed with hard currency, and no one touches them. Obviously the money is going in the right direction.

This war will never end, the MVD believes, until the Central Bank introduces strict controls over cash transactions in rubles and hard currency. If you have the money, you can buy weapons either from the hungry Russian Army or from well-fed, but greedy generals.

Chronicle of "Aid" to Chechnya. 1995

Soldiers and civilians have already died in Chechnya in their tens, hundreds, and thousands. But at the same time another, unknown war has been raging. Here are just a few of its "battles."

The activity of the "AST" limited partnership, through which Dudayev's representatives received around R3 billion and $70,000, has been terminated.

In St. Petersburg the "Rubiks" firm, from whose accounts R3.3 billion were sent in the direction of Chechnya, has been closed down.

Measures are being carried out to stop the possible receipt of funds by Dudayev's gunmen from a bank account in Germany, on which $685 million remain.

An attempt to obtain from the Mytishchi Commercial Bank $3 million for Chechnya through the use of counterfeit documents purportedly belonging to the "NEK" Closed-Type Joint-Stock Company has been foiled.

In September-October 1995 $10.8 million were seized at the capital's airports. The Groznyy "Argotekhnika" bank alone carried out R30 billion, received from the Moscow branch of the Tver Universal Bank.

All the money, naturally, went to "rebuild" Chechnya.

The restoration of the national economy in the "quiet and peaceful republic," which is every day rocked by gunfire and acts of terrorism, is a separate story. According to the data of the law enforcement organs, from 1 January through 1 September 1995 the Federal Exchequer of the Ministry of Finances transferred R1.15 trillion to the accounts of sector ministries: R209.3 billion to the Ministry of Architecture, Construction, Housing, and Municipal Services; R138.5 billion to the Ministry of Agriculture and Food; R116.3 billion to the Ministry of Transport; R39 billion to the Ministry of Health; R67 billion to the "Agropromstroy" corporations; R54 billion to the Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters; and to the Federal Exchequer's Administration for the Chechen Republic — R241 billion.

We will not explain the obvious: One explosion in Chechnya is capable of "writing off" several billion rubles. That is probably why so many billions have been allocated. The sum of R7.4 trillion "derived from various sources" is cited in a document of the State Commission for the notorious "restoration."

But if the Ministry of Finances has allocated only R1.15 trillion, that means that the remaining funds were obtained through credits allocated to the federal program by authorized banks. At first the state guaranteed 89 percent annual interest on these credits. The Central Bank's minimum interest rate stood at a full 180 percent per annum. Obviously, the authorized banks were operating at a loss given such interest rates. And yet the number of banks wishing to become authorized is growing by the day!

Initially there were only five, the largest of which were "Menatep," "Kredo Bank" and "Vozrozhdeniye." Then the number of the "chosen" was increased to 11 by the addition of the Tver Universal Bank, "Trostransbank," "Rosmedbank," "Promradtekhbank," "Yustorskiy," and others. Today the branches of 40 Russian banks are operating in Groznyy! Albert Marshev, Russian Federation first deputy minister for construction, explained this altruism on the part of the banks by reference to the financiers' patriotism. Blessed is he who believes...!

Today the Field Institution of the Central Bank of Russia [FICBR] is operating in Groznyy, but all transactions are still in cash. The MVD has repeatedly submitted proposals to the Russian Government that all transactions should be conducted only through the FICBR: Control over financial currents and the targeted use of budget funds is impossible in wartime. The governmental responds to all proposals with silence.

Do you not guess why?

On 30 August 195 Oleg Soskovets signed government decree no. P20- 26549, requesting that the MVD and the Ministry of Finances examine questions of the nontargeted use of funds allocated to rebuild Chechnya. Evidently the government suspects that theft is possible in this area. And why not, seeing that from August through December 1995 more than R6 trillion were additionally pumped into the "black hole" of rebuilding Chechnya?

Russia: Background of Hijackers of Ferry Avrasya Viewed

MM1302144196 Moscow TRUD in Russian 13 Feb 96 p 4

[Report by Vladimir Khovratovich: "'Caucasian Republic.' A Turkish County Town Is a 'Mine of Cadres' for Terrorists Infiltrated Into Chechnya"]

[FBIS Translated Excerpt] Istanbul — When all of Turkey was discussing the takeover of the ferry Avrasya, it came to light that five of the nine terrorists had been born in the county town of Duzce in Turkey's Black Sea coastal area. It was also learned that Muhammed Tokcan, the terrorists' leader, and his colleagues had also planned the hostage-taking operation in that town and that the weapons in whose sights the terrorists had kept the hostages for 72 hours had been made in one of the plants there. [Passage omitted]

Duzce is, above all, a mosaic of ethnic groups and languages. Ethnic groups live in their own mahall [district], and even the coffee houses are strictly segregated along ethnic lines. There are also Turks there, but immigrants from the Caucasus disparagingly call them "greens," since the local Turks are mainly engaged in growing green vegetables.

In addition to the first name and surname on his passport every Caucasian has his own names which have come down from his forefathers, and when there is a wedding in the town it is the "underground" names that appear on the invitations, so that an outsider cannot gate-crash. Marriages are contracted exclusively within their own circle. Some fanatical parents forbid their children from playing with children from families of another clan. These clans have their own hierarchy: from the richest to those that are called the "slaves of the clan."

Muhammed Tokcan, the leader of the terrorists who took over the ferry Avrasya, is known in Duzce for his endeavors to prevent clashes among immigrants from the Caucasus. He has been in jail for distributing appeals by the illegal Islamic terrorist organization IBDA-S. Admittedly, not for long. Muhammed, his three brothers, and his sister are renowned as "fighters for faith and freedom" not only among the Abkhazian clan, which they represent, but also throughout the county. At one time Tokcan produced a magazine propagandizing peaceful coexistence in the county.

He would make frequent trips to the Caucasus and was known in the county as "consul general for the Caucasus." According to journalists there, everyone who wanted to travel to the Caucasus would be sure to approach Muhammed. He would organize visas and provide addresses of reliable people. It is assumed that representatives of foreign parts to the north also turned to him for help if they needed people or weapons.

The county's population regards Muhammed and his accomplices not as terrorists but as "insurgents." Even the Abkhazian Culture Society and the North Caucasus Culture Society believe that the criminals who took over the Avrasya "acted correctly in order to show the world Russia's injustice in Chechnya." They are also sure that "the operation was a success." Nevertheless, the population of Duzce have not taken umbrage at the authorities for jailing their fellow tribesmen and have even written a letter of thanks to the president and prime minister of Turkey....

This is written in the window of one of the gun stores: "This rifle is exactly the same as the one that killed U.S. President Kennedy. It has a killing range of 1.5 km and a .22 caliber. With this rifle you can hunt geese. Price 65 million liras" ($1,000).

Production of weapons began in Duzce in the fifties. Today practically all kinds of weapons are made in local workshops. They are chiefly made by immigrants from the Caucasus. In all, there are approximately 100 workshops in the town, and the weapons that are made in them go mainly to the Caucasus and Central Asia.

Military Activity

Russia: Chechen Spokesman Tells of 'Worsened' Situation

AU1302214896 Paris AFP in English 2103 GMT 13 Feb 96

[FBIS Transcribed Text] Novogroznenskiy, Russia, Feb 13 (AFP) — Tension remained high on Tuesday [13 February] in separatist-controlled eastern Chechnya, with continued demonstrations against Russian troops, and reports Russian fire had claimed several lives.

According to witness reports and information given out by hospitals, Russian helicopter and artillery fire has claimed several victims in recent days.

On Monday evening, rockets reportedly killed two people in the tiny village of Alleroi and seriously injured a further six, while helicopter fire killed one person in Bachy-Yurt.

A further five people were killed, including two who died in hospital on Monday, following attacks Sunday in Novogroznenskiy.

Meanwhile, in each village, dozens of people held protests calling on Russian troops to leave, and Chechen flags and pictures of the separatist leader Dzhokhar Dudayev were everywhere to be seen, while helicopters flew over the region.

An AFP correspondent said the region was clearly in the hands of separatists.

Between Shali, 30 kilometres (18.6 miles east of Groznyy) and Novogrozny roads were controlled by separatists.

A state security source on Tuesday told AFP in Groznyy that "in recent days, Novogroznenskiy (48 kilometres, 30 miles east of Groznyy) has become a defence base for separatist fighters."

He added that the Russian army was "preparing to take measures," but he did not say which measures would be taken or when.

Russian tanks stationed not far from Novogroznenskiy had partly surrounded the community on Sunday evening.

However, on Tuesday, Russian tanks which Chechen fighters said numbered between 200 and 300, had drawn back a little into the mountains.

Novogroznenskiy is also where two of Russia's most wanted men — Shamil Basayev and Salman Raduyev, who both led hostage takings beyond Chechnya's borders — have made highly public appearances recently.

Separatist chief of staff Aslan Maskhadov said in an interview on Sunday that, if Russian troops attacked Novogroznenskiy, that would be "a new Pervomayskoye" — a reference to the pitched battle which lasted for almost a week at the end of January between Russian troops and separatists, who were holding hostages.

"The tension which has worsened in recent days is hindering progress of discussions on exchanging prisoners," Said Hassan Abu Muslimov, a member of the Chechen delegation to peace talks which have been suspended since October, told AFP.

He said that on Tuesday, Russian tanks were near other villages, notably Engel Yurt and Kadi-Yurt, and Russian troops blocked access to these villages.

A few kilometres below in Kurchaloi, protesters have been camped day and night since December 10, in front of Russian tanks in the countryside stationed in the coutryside.

Russian forces stormed the tiny Caucasus republic in December 1994 to crush a three-year-old secessionist movement. An estimated 30,000 civilians have been killed in the bloodshed which has followed.

Russia: Troops Diffuse Bombs in Chechen Presidential Palace

LD1302212796 Moscow INTERFAX in English 1850 GMT 13 Feb 96

[FBIS Transcribed Text] Groznyy, Feb 13 (INTERFAX) — Federal troops bomb disposal experts are now disposing of explosive devices in the former presidential palace in Groznyy, the capital of Chechnya, sources in Chechen law enforcement agencies told INTERFAX Tuesday.

Some explosive devices could not be disposed of without local explosions. Such explosions do not seriously damage the building, the same sources said.

The situation in Groznyy remains relatively calm tonight. Chechen police and Interior Ministry troops control the trouble-spots in Groznyy where separatist rebels may launch provocations, the same sources said.

Russia: Stavropol Cossacks Oppose Immediate Troop Withdrawal

LD1402101996 Moscow ITAR-TASS in English 0852 GMT 14 Feb 96

[By Nikolay Styazhkin]

[FBIS Transcribed Text] STAVROPOL, February 14 (ITAR-TASS) — Stavropol Cossacks are against the withdrawal of federal troops from the neighbouring Chechnya, until law and order are established on its territory, which are badly needed by the Chechen people, says a statement of the Council of Atamans (commanders) of the Stavropol Cossack Troops, which it addressed to all those who are collecting signatures in support for the immediate troops withdrawal from Chechnya.

The Council of Atamans is sure that if the federal troops are withdrawn from Chechnya before armed units of Dudayev gunmen are rendered harmless, this will threaten with extermination all the Cossack families which have lived in Chechnya for generations.

The statement expressed the view of the Cossacks, that money should not be channeled into the restoration of the destroyed economy of Chechnya until each of the thousands of refugees, driven out from Chechnya by the Dudayev regime, is given sufficient material support.

Political Reaction

Russia: MVD's Shkirko on Action Needed for Chechnya Settlement

MM1402114396 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 96 p 2

[Article by Lieutenant General Anatoliy Shkirko, commander of Russian Federation Ministry of Internal Affairs Internal Troops: "Exclusive: Dudayev Only Relies on Criminal Anarchy" — first paragraph is introduction]

[FBIS Translated Text] Lieutenant General Anatoliy Shkirko, Russian Federation deputy minister of internal affairs and commander of the Russian Federation Ministry of Internal Affairs Internal Troops, has just returned from official travel to Chechnya and commented specially for ROSSIYSKIYE VESTI on the situation in the republic.

Let me be frank and say that I am surprised by politicians who call for an end to the war in Chechnya and for the federal troops to be withdrawn. That is out-and-out populism, which will make it even more difficult for Russians to have any understanding of the situation. There is not a single normal person in Russia today who would advocate the war or its continuation. Should one go into raptures at the 1 million signatures on the appeal for an end to the war collected on Boris Nemtsov's initiative?

Ten times as many signatures of that kind could be collected today. But as for tackling the problem.... It would be no bad thing for those who raised this populist banner to work out what would happen in Chechnya following the federal troops' withdrawal and what would happen in the neighboring republics. It was with good reason that the calls for the troops' withdrawal aroused disquiet among residents of Kizlyar, who are afraid of being left without reliable defense. The peaceful means of resolving the Chechen crisis is undoubtedly preferable, and the troops can be withdrawn in time once stabilization in the region has been ensured in advance by finding levers for persuasion when it comes to carrying out the military bundle of agreements.

I have already said that the Dudayevites have failed to carry out a single point of the agreement. If they were sincere in wanting to do this, they would have disarmed at least one bandit formation as a purely symbolic gesture. What changes have there been in the policy of Dzhokhar Dudayev and his entourage over the past year? None at all. They both built their authority on the force of arms and criminal anarchy and have stuck with that.

The row over the list of so-called detainees that they have submitted reveals the Dudayevites' position more convincingly than anything. It includes people captured by federal law-enforcement agencies for crimes in Stavropol Kray and Perm, Kirov, and Tambov Oblasts. A desire to entangle the problem of POW exchanges in red tape rather than resolve it honorably is behind this.

It is a shame that neither the Dudayevites nor the politicians who support them have realized that the political situation in Chechnya has changed since the elections and that must be taken into account. The republic has the legitimate government of Doku Zavgayev, for whom the bulk of the population voted. And the armed opposition must enter into talks with the legitimate government.

However, by way of a counterargument you hear that Dzhokhar Dudayev supposedly does not recognize Doku Zavgayev's victory. Could anything else really be expected of him? After all, General Dudayev himself wants to remain in power and legalize that by any means.

The question of the creation of so-called demilitarized zones is now being intensively mooted. But that problem cannot be resolved in a perfunctory manner either — everything must be examined comprehensively. Is it possible to talk about implementing these plans without these areas being reliably protected against infiltration by Dudayevite gangs!

I think that Doku Zavgayev's government will find both reliable people and effective levers for the resolution of the Chechen crisis. I think that it is time to resolutely do away with Dudayev's regime and Dudayevism for the sake of the security of Russia and its neighbors. The time has come to restore order in our house, and no one but we ourselves can do that.

Russia: Yeltsin May Visit Chechnya To Resolve Crisis

LD1302135396 Moscow Voice of Russia World Service in English 1210 GMT 13 Feb 96

[FBIS Transcribed Text] A resolution of the Chechen crisis has in the past few days become the main topic of Russia's political life, including the campaign for the presidential election in June.

President Boris Yeltsin has made it clear that if he fails to find ways of settling the crisis in Chechnya there is no point for him to seek reelection. He also says that no ill-considered decisions would be taken.

Two commissions have been set up to find ways of settling the Chechen crisis. One is led by Prime Minister Viktor Chernomyrdin, the other by well-known Russian ethnologist and a member of the Presidential Council Emil Pain.

President Yeltsin has given the commission two weeks to analyse all the existing proposals aimed at resolving the Chechen crisis and to choose the best one.

The most interesting fact is that irrespective of the suggested outcome — either Chechnya's secession from Russia or its integration in the federation on special conditions — the main task of each proposal is the start of peace talks including high-level talks.

The Governor of the city of Nizhniy Novgorod, Boris Nemtsov, has collected a million signatures in support of his idea of withdrawing federal troops from Chechnya. Speaking about the details of his plan, which was discussed at his recent meeting with President Yeltsin in the Kremlin, Mr. Nemtsov said the following:

[Begin Nemtsov in Russian recording] These details included a trip by the president to the Chechen Republic, a meeting of the president with elders, with our servicemen. [end recording]

The plan provides among other things for the president's trip to Chechnya to meet Chechen elders and federal troops. But the main idea, which has not been rejected, and is part of one of the seven existing plans submitted to the president, is that the president himself, as guarantor of the constitution, must initiate a peace process. I think such a process suggested by the president can end the bloodshed.

Russia: Pain on Premises of Chechen Settlement Commission

LD1302225896 Moscow NTV in Russian 1900 GMT 13 Feb 96

[From the "Segodnya" newscast]

[FBIS Summary] In a corridor interview, Emil Pain, who heads one of the commissions set up to seek a settlement of the Chechen crisis, said of the work of his commission: "Our group is dealing with a peaceful settlement, if only because we do not have any military people."

He continued: "All the members of our group are convinced that neither the Chechen problem, nor even more so the political problems which exist around Chechnya, can be resolved by broad-scale military actions today. The second restriction is that we are all convinced that there cannot be an unconditional withdrawal of troops, that is a withdrawal of troops without any kind of preliminary agreements."

Correspondent Aleksey Kondaukov said that Pain's group was to present its conclusions to the president in two weeks' time.

Russia: Pain, Abdulatipov, Zavgayev on Peace Process

MM1402095696 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 96 p 1

[Unattributed feature comprising comment by Presidential Council member Emil Pain, State Duma Deputy Ramazan Abdulatipov, and Chechen President Doku Zavgayev under the general heading: "It Is Not Only Good Intentions, But Also Knowledge of the Situation and Assessment of the Consequences That Are Essential in the Quest for a Settlement to the Chechen Crisis" — first three paragraphs are boxed introduction]

[FBIS Translated Text] By directive of Russian Federation President Boris Yeltsin, Presidential Council member Emil Pain has been instructed to form a working group to synthesize and systematize the opinions and proposals on the means of settling the situation in Chechnya voiced at a Presidential Council session 9 February 1996. The working group is due to submit the synthesized report within two weeks.

Previously the Russian Federation president instructed Russian Federation Prime Minister Viktor Chernomyrdin to form a commission to examine options for the settlement of the Chechen crisis. Yesterday Boris Yeltsin was given a list of candidate members of this commission for his approval. There are 27 people on the list. They include First Vice Premier Vladimir Kadannikov; Oleg Lobov, the president's official representative in Chechnya; the heads of the power ministries; Chechen Republic President Doku Zavgayev; representatives of "Roskompechat"; and leaders of ORTV, the All-Russia State Television and Radio Broadcasting Company, and other mass media. The commission will be led by Viktor Chernomyrdin.

Thus a commission led by Viktor Chernomyrdin and a working group led by Emil Pain will be working on seeking options for the settlement of the situation in Chechnya.

Political Scientist's Opinion

What is the difference between these two working bodies' aims, composition, and working methods? At ROSSIYSKIYE VESTI's request Emil Pain, leader of the working group, deputy head of the Russian Federation Presidential Analytical Administration, and Presidential Council member, answered this question:

First and foremost, our commission has a different mission and different members. Our commission synthesizes those ideas that were voiced at the last Presidential Council session. It only comprises members of the Presidential Council — namely political scientists and analysts who are familiar with the Chechen problem. The commission led by the Russian premier does not involve Presidential Council members.

We will undoubtedly synthesize all the documents and analytical material on Chechnya that have been elaborated in the past and try to study the ideas that have already been presented. As you know, the Presidential Council is not a closed body and we therefore intend to enlist other specialists — academics and political scientists who are not members of the council but who are familiar with and are working on this problem.

Thus we will be relying on specialists, primarily because good intentions are not enough when it comes to resolving this highly complex issue; what is important is knowledge. First, it is necessary to assess the consequences of a particular measure and, even more importantly, **combination** of measures, because seemingly the "inputs" into the equation are clear — various kinds of talks, certain maximum concessions, and mechanisms ensuring readiness for compromise both mentally and politically.

However, often phenomena that seem to be "inputs" in fact get "taken out." That is, once you have begun reinforcing one area — that of peace for instance — you ruin another, which is already bearing fruit. Therefore the task is also to find the optimum blend of various factors for the resolution of the Chechen question. [Pain ends]

Deputy's Opinion

By Ramazan Abdulatipov, State Duma deputy and chairman of the parliamentary commission for the release of people forcibly held in Chechnya:

The controversy over the problem of withdrawing the federal troops from Chechnya is, in my view, absurd since the Chechen Republic is a component part of the Russian Federation. To unceremoniously raise this issue before you have defined a concept for the troops' withdrawal, determined the objectives, and formulated the corresponding mechanisms for the cessation of the war effectively means provoking a fresh outbreak of war.

Judge for yourselves, one of the aims behind the federal troops' withdrawal was a desire to bring an end to the civil war between Chechens. Can there be any doubt what will happen here if we only aggravate the situation by removing the federal troops from Chechnya before we have resolved a single problem?

Today all efforts aimed at the peaceful settlement of the Chechen crisis must be concentrated around Doku Zavgayev's legitimate power and on establishing intra-Chechen dialogue. All attempts to end the Chechen war by collecting signatures calling for peace can only politicize the situation and embroil all Russian society therein. [Abdulatipov ends]

Chechen Leadership's Viewpoint

Doku Zavgayev, leader of the Chechen Republic, commenting for ROSSIYSKIYE VESTI on the peace agreement signed recently with Shatoyskiy Rayon, stressed that this heralds the start of people's move to a peaceful life.

After the document was signed in Shatoy four armored vehicles, along with a large number of assault rifles, grenade throwers, and machine guns, were handed over. "This process is already irreversible," he said. "I am receiving appeals en masse from inhabitants of villages and rayons asking me to meet them soon, sign an agreement, and begin taking in weapons. I am sure that the situation in the republic will start to improve in the near future and weapons will be surrendered. There will be no need for them with the coming of stabilization." [Zavgayev ends]

Russia: Panel Chairman Criticizes Yeltsin's 'Chechnya' Edicts

MM1302141596 Moscow KOMSOMOLSKAYA PRAVDA ("Business Tuesday" Section) in Russian 13 Feb 96 p 2

[Interview with Mikhail Zadornov, chairman of the State Duma Committee for the Budget, Taxes, Banks, and Finances, by Ryavil Zaripov, under the "Corridors of Power" rubric; date and place not given: "Left Hemisphere Versus Right Hemisphere"]

[FBIS Translated Text] Boris Yeltsin launched his election campaign with a succession of edicts which many have regarded as populist. Mikhail Zadornov, chairman of the State Duma Committee for the Budget, Taxes, Banks, and Finances, now comments on the situation.

[Zaripov] Mikhail Mikhaylovich, according to the presidential edict a huge sum — 16.2 trillion rubles [R] and $1 billion — is being allocated to the rebuilding of Chechnya.

[Zadornov] There are two serious flaws in this document, one relating to the law, the other to the content of the edict. The Law on the 1996 Federal Budget contains a fully itemized investment program which does not envisage spending on the rebuilding of Chechnya. The foreign borrowing target is set at $8 billion. This money is already allocated to very specific areas. There is no spare billion dollars or spare trillion rubles in it! In fulfilling the 1996 budget we must either build housing for servicemen, give subsidies to emigrants from the Far North, build roads in the provinces, build subways (I would remind you that R3.5 trillion have been set aside for Moscow, St. Petersburg, Nizhniy Novgorod, Krasnoyarsk, Omsk, and several other Russian cities) or else...you rebuild Chechnya.

The other flaw in the Chechen edict relates to the content. We all understand that a considerable proportion of this money will not reach the inhabitants of Chechnya. Therefore, until the political questions on Chechnya are resolved, spending money on its reconstruction is like pouring the money down the drain.

[Zaripov] The president's edicts were issued against the backdrop of changes in government personnel....

[Zadornov] Personnel changes are the second indication of a changing policy. The most unpopular figures are being removed to be replaced by major industrialists. The president's personnel policy is based not so much on people's professional qualities as on their acceptability to the voters.

There is another — economic — indication of the changing policy in which emphasis is being placed on social programs for the population. The president is competing with the "left" wing of the parliament to see who will make the population the most expansive social gestures, albeit gestures with no financial backing. And consequently largely unfeasible gestures.

If we increase the scale of payments we will merely increase the discrepancy between the promises and the actual payment.

Russia: Chernomyrdin Names Candidates for Chechen Commission

LD1302164496 Moscow ITAR-TASS in English 1434 GMT 13 Feb 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, February 13 (ITAR-TASS) — Russian Prime Minister Viktor Chernomyrdin on Tuesday [13 February] submitted a list of candidates for the commission on the Chechen settlement for the approval by Russian President Boris Yeltsin, the sources in the premier's inner circle told ITAR-TASS on Tuesday.

The list of the contenders for the commission which is to be headed by Chernomyrdin himself, consists of 27 names, including First Deputy Prime Minister Vladimir Kadannikov, presidential plenipotentiary envoy for Chechnya Oleg Lobov, head of the Chechen republic Doku Zavgayev, justice and construction ministers, minister of nationalities and regional policy, head of the Stavropol region administration, and presidents of Kabardino-Balkar Republic and Tatarstan.

Alongside Deputy Prime Minister Vitaliy Ignatenko, in charge of mass media, the commission is expected to include Chairman of the Russian Public Television (ORT) Sergey Blagovolin, Chairman of the Russian State Radio and Television Company Oleg Poptsov and editor-in-chief of the ARGUMENTY I FAKTY newspaper Vladislav Starkov, the source said.

Mass media is to play an important role, as without weighty and guided information policy, any disinformation may disrupt stabilisation of and around the Chechen crisis.

The wide composition of the commission will make it possible to consider all available options for the resolution of the Chechen crisis together with local authorities in the republic and its neighbouring territories, with regard for the opinion of the Moslem part of the Russian population.

The fact that the so-called "power ministers" (those of defence, interior and security) are represented in the list means that it is hardly possible to resolve the Chechen crisis without participation of military and enforced border control in the region.

Russia: Chechnya War Problem Viewed

MM1402115896 Moscow RABOCHAYA TRIBUNA in Russian 14 Feb 96 p 1

[Article by Georgiy Sharonov: "Along Which of Seven Scenarios Will Settlement in Chechnya Proceed?"]

[FBIS Translated Text] Everyone is tired of this terrible war. It is like a diagnosis of cancer for the whole country — Russians and non-Russians, Chechens and non-Chechens, righteous and guilty, people and non-people, involved and uninvolved, authorities and soldiers, mothers and the budget, public health, and the future.... The situation is doubly tragic in that we ourselves are patients and doctors and relatives. We do not want to die but no one knows for sure how to effect a cure, any outcome is possible, we have an unclean, frightened feeling in our hearts but something must be done and if it comes to the worst we must talk and talk and talk so that the silence does not become deathly.

There is little truth and there are many lies in this talk — cunning, reassuring lies which seem to save us. And there is different advice on all sides. Some people recommend lying down on the operating table immediately before the cancer metastasizes. Others believe that pieces of paper with incantations are far more effective. Others rely on mass prayer. Others imagine that the illness will resolve itself.... But the common denominator is undisputed: It is better to be healthy and peaceful than sick and fighting. And so people on every side are expressing verbally and in writing the wish: "Be healthy!" Although we are not talking about a cold in the head.

Well, let us leave comparisons for another occasion. Let us ask a simple question: What do we want? Simply to get out of Chechnya? But then too much will stick to our heels. Or should we untie the knot? In that case we have serious work ahead, we will not manage it by next Saturday. After all, the cords which have become entangled in Chechnya extend in every direction — toward abandoned arsenals and respectable banks, toward political drawing rooms and the devil knows where else. And you cannot cut a single one since our people are cunning and without even having mastered the subtleties of the civilized market they have learned to wonder to whose advantage it is to hide Dudayev, to arm him and provide him with advice notes and cash. And during a part-time working week so many such riddles occur in idle brains that you cannot dispel them with well-turned phrases. They require direct and clear replies. And corresponding actions. At least one abscess must be identified and properly disinfected. And what is the bandit's should be given to the bandit and what is the man's to the man. Otherwise not only individual pilot generals but also representatives of more widespread professions will become robbers.

Of course, when elections are imminent it is not the best time to investigate a bloody conflict. Moreover, Dudayev is also fanning the flames by promising to fight to the last Chechen and to set the entire Caucasus and its environs on fire. One can understand the top gunman: He wants to appear as a global figure and to dictate his own terms. On the other hand there are seven scenarios for resolving the problem in the Kremlin portfolio. Which of these scenarios will become a plan of action the next few days will show.

People are waiting. The hope is alive in them that dead sons and unfortunate old men are not eternal hostages and vain sacrifices in someone's evil game.

CIS: ITAR-TASS Carries Press Review for 14 Feb

LD1402063996 Moscow ITAR-TASS in English 0619 GMT 14 Feb 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, February 14 (ITAR-TASS) — IZVESTIYA carries today an interview with Russian Interior Minister Anatoliy Kulikov, entitled "Interior Ministry Chief Suggests His Own Way To Resolve Budget Problems, Proceeding From The Interests Of The Police." Last Friday [9 February], addressing an evening meeting of the Russian government, he set forth his own programme of finding new sources of budget revenues, the newspaper writes. In the opinion of its economic observer Mikhail Berger, the Interior Minister and his advisers "are willing to find out what will be the reaction of the public to the idea of nationalisation and other revolutionary measures."

Newspapers continue to give wide coverage to the situation in Chechnya. ROSSIYSKIYE VESTI publishes interviews with Emil Payn, deputy head of the analytical department under the Administration of the Russian President and member of the Presidential Council, with member of the State Duma Ramazan Abdulatipov and Chechen leader Doku Zavgayev, in which they express their ideas about ways of settling the Chechen crisis. The newspaper carries as well an interview with Lieutenant General Anatoliy Shkirko, Deputy Interior Minister and commander of the Interior Ministry troops, who has just returned from Chechnya. He is positive that "it is high time we put an end to the Dudayev regime and the Dudayev ideas for the sake of Russia's security and that of its neighbours. It is time to put things in order in our home, and no one but ourselves can do it."

KRASNAYA ZVEZDA writes that, despite the agreement reached on peace and accord in the area of Novogroznenskiy and the withdrawal of a paratrooper battalion from the Shatoy area, "we have a long way to go, before stabilization of the situation becomes a reality."

Vladimir Shumeyko, head of the Reform—New Course movement, said in an interview with ROSSIYSKAYA GAZETA that "Boris Yeltsin is the presidential candidate whom we should support." In the opinion of Shumeyko, Yeltsin has three main rivals: Gennadiy Zyuganov, Grigoriy Yavlinskiy and Vladimir Zhirinovskiy. "I know all of them personally and I am sure that none of them is capable of resolving the problem facing the country," he said.

A gigantic wage debt running into 20 trillion roubles has turned in Russia into a serious social and even political problem, Trud writes. The newspaper carries an interview with Vladimir Varov, head of the Federal Labour Inspection, who spoke about the results of the inspection of enterprises and institutions. He said that some 10,000 enterprises had been inspected in 1995, the main issue being the payment of wages there. It turned out that 90 per cent of enterprises and institutions, as a rule, had money for paying wages, but preferred to spend it on something else or "circulate" large sums at commercial banks.

KOMSOMOLSKAYA PRAVDA frontpages an article about the building of a recreation centre for the Chief Guards Department of the Russian Federation, situated in the Zadonskiy District of the Lipetsk Region.

Russia: Shoot-out in Russian Mission in Pyongyang Reported

LD1402064796 Moscow ITAR-TASS in English 0633 GMT 14 Feb 96

[By Ivan Zakharchenko]

[FBIS Transcribed Text] PYONGYANG February 14 (ITAR-TASS) — A gunman of Korean nationality intruded the Russian trade mission situated on the territory of the embassy in Pyongyang on Wednesday morning and a shootout with police took place, TASS learned from a Russian diplomat who spoke on conditions of anonymity.

"A shootout occurred between the intruder and North Korean guards. Nobody among Russian citizens was wounded in it", the source said.

Talks are underway with the gunman whose demands are not known so far, according to the source.

Official representatives of the trade mission and the embassy refuse to give any comment on the incident.

The situation around the embassy is quiet.

Russia: Pyongyang Intruder Wants Asylum; DPRK Guards Killed

LD1402094396 Moscow ITAR-TASS in English 0851 GMT 14 Feb 96

[By Ivan Zakharchenko]

[FBIS Transcribed Text] PYONGYANG, February 14 (ITAR-TASS) — Several North Korean guards have been reportedly killed in a shootout with a gunman who intruded the Russian trade mission situated on the territory of the embassy in Pyongyang on Wednesday morning seeking political asylum, TASS learned from a Russian diplomat who spoke on conditions of anonymity.

Nobody among Russian citizens was wounded in the shootout and talks are being held with the intruder of Korean nationality, presumably aged 25, who is armed with a pistol, the source said.

The gunman "demands political asylum threatening to kill himself in case of a rejection", the diplomat said adding that the intruder "does not threaten Russian citizens, but demands that somebody (of the Russian staff) constantly stays with him".

North Korean military are entering the territory of the Russian embassy from time to time, evidently, for negotiations.

Official representatives of the trade mission and the embassy refuse to give any comment on the incident which is the first armed intrusion into the embassy premises in Pyongyang and which took place on the eve of the celebrations of the birthday of North Korean leader Kim Chong-Il, which is the national holiday.

In Moscow a Foreign ministry spokesman also refused to give any comments.

But foreign policy experts in Moscow fear the intrusion can create "a big problem" in Russia-North Korean relations. They told TASS that the 1957 treaty between the former Soviet Union and North Korea, in which the parties pledged to extradite defectors who a criminal record, has not been cancelled.

However, it is not clear whether Moscow and Pyongyang still observe the treaty. Russians have never requested political asylum in North Korea, while there have been no asylum requests from North Koreans to Russia of late.

The situation around the embassy is quiet. The township of the embassy, which includes the trade mission, residential quarters, a school and a swimming pool, is situated in central Pyongyang not far from the offices of state, party and military departments. However, the township is outside the diplomatic quarters situated in eastern Pyongyang.

The three entrances to the township are guarded by armed North Korean policemen.

Russia: DPRK Intruder Identified as Embassy Security Employee

LD1402125396 Moscow ITAR-TASS in English 1211 GMT 14 Feb 96

[By Ivan Zakharchenko]

[FBIS Transcribed Text] PYONGYANG, February 14 (ITAR-TASS) — The North Korean gunman, who burst into the Russian embassy premises on Wednesday morning seeking political asylum, had shot dead three and wounded one of the North Korean security personnel guarding the embassy.

The man, who has not been identified yet, worked in the security service which guards special departments of the ruling Korean Workers' party, informed sources in the embassy told TASS.

The sources said the man armed with a pistol burst into the territory of the embassy, killed and wounded the guards and then fired into the air close to the guarded entrance to the trade mission.

Nobody of the Russian citizens was wounded.

The gunman 25 years of age is currently staying in the trade mission demanding a politcal asylum and threatening to kill himself is the demand is turned down.

He does not threaten Russian staff, but demands that somebody of the embassy personnel constantly stays with him.

The Russian Foreign ministry in Moscow confirmed the intrusion and the embassy in Pyongyang followed by admitting an "unsanctioned penetration" into its premises.

Embassy officials told Tass "talks with competent bodies of the Democratic People's Republic of Korea to settle the incident were underway" and that all measures to ensure the safety of Russian citizens had been taken.

The situation around the embassy in downtown Pyongyang remains quiet, however the guarding of the premises was mounted with darkness.

The incident occurred two days before the birthday of North Korean leader Kim Jong-il which is marked as the national holiday in the country. Numerous delegations have already arrived from various parts of the country and from abroad to participate in the festivities.

Russia: Foreign Ministry Position on Taiwan, PRC Given

LD1302152396 Moscow ITAR-TASS World Service in Russian 1352 GMT 13 Feb 96

[By ITAR-TASS diplomatic correspondent Denis Perkin]

[FBIS Translated Text] Moscow, 13 Feb (ITAR-TASS) — "Russia's position on the Taiwan issue remains unchanged, including that part which concerns the need for the problem to be settled by strictly peaceful means," Grigoriy Karasin, the director of the Information and Press Department of the Ministry of Foreign Affairs of the Russian Federation, said today. He said that the belief in Moscow is that the "one China" formula should not be called into question.

The Russian side, according to the official spokesman of the foreign policy department, is following the situation developing in the area of the Taiwan Strait "extremely carefully." "We believe that there are no serious grounds for the dramatic scenarios that are filling certain foreign newspapers at the moment," stressed Grigoriy Karasin.

Russia: Foreign Ministry on Taiwan Straits Situation

LD1302225396 Moscow INTERFAX in English 1929 GMT 13 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Russia is closely watching the developments in the Taiwan Straits, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Tuesday, commenting on the recent aggravation of relations between China and Taiwan.

"There are no grounds for dramatic scenarios which flooded the Russian and foreign media," he said.

"Russia's position in the Taiwan issue remains unshakable, including the need for an exclusively peaceful settlement," Karasin said. At the same time, Karasin said Russia supported the "one China" formula.

Russia: Vietnamese Minister Welcomes Cooperation With Russia

LD1302184296 Moscow ITAR-TASS in English 1728 GMT 13 Feb 96

[By Sergey Blagov]

[FBIS Transcribed Text] Hanoi, February 13 (ITAR-TASS) — Vietnam's Foreign Minister Nguyen Manh Cam said on Tuesday that his country has a long record of cooperation with Russia and that both states should put more effort into strengthening their relations on a new basis.

Earlier today, Nguyen Manh Cam met Russia's Deputy Foreign Minister Aleksandr Panov. The Vietnamese minister said that an expansion of the dialogue meets the interests of both peoples and can contribute to peace and stability in the region.

Panov said that Hanoi negotiations indicate that Russia is becoming more interested in its old partners.

It was stated at the consultations that Russia had geared up its Asian policy which is approved by the Vietnamese side, Panov said.

He said he was satisfied with the negotiations' results, while the Vietnamese foreign minister emphasised both sides' excellent traditions of cooperation and good understanding.

Any problems that may appear should be resolved through the development of relations, Nguyen Manh Cam told Panov.

Panov, on his tour of Asia, has already visited Myanmar. His itinerary includes Laos and Cambodia.

Russia: Yeltsin Signs Order on Cooperation With NATO on Bosnia

LD1302165296 Moscow ITAR-TASS World Service in Russian 1550 GMT 13 Feb 96

[FBIS Translated Text] Moscow, 13 Feb (ITAR-TASS) — Russian President Boris Yeltsin has signed an order "On Concluding Agreements With the North

Atlantic Treaty Organization on Interaction Within the Multinational Forces in Bosnia-Herzegovina and on the Russian Federation's Financial Participation in this Operation." This is stated in a report of the head of state's press service, which reached ITAR-TASS today.

It follows from the test of this document that the president has accepted the proposal of the Russian foreign And Defense Ministries on concluding the above agreements in the form of an exchange of letters with the NATO secretary general and has approved the drafts of letters of reply, having given permission to the Russian foreign-political and military departments "to make changes and additions to them without fundamentally changing their content."

The Russian Foreign Ministry has been instructed "on reaching agreement with the North Atlantic Treaty Organization, to implement the exchange of letters" constituting these agreements.

Russia: Moscow, Contact Group Discuss Arrest of Serb Officers

LD1302150096 Moscow INTERFAX in English 1432 GMT 13 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Moscow is holding consultations with the partners in the contact group (Russia, the United States, Britain, France and Germany) in connection with the arrest of two Bosnian Serb officers, a high-ranking Russian diplomat told INTERFAX Tuesday [13 February].

He said Moscow had sent an inquiry to the Hague, where General Djukic and Colonel Krsmanovic have been sent for trial by the International Tribunal investigating crimes committed in former Yugoslavia.

"The arrest of Djukic and Krsmanovic and their removal to the Hague are dangerous moves which may explode the situation and provoke one of the sides to inadequate actions," he said.

"This may also complicate the revival of trust between the sides, without which one can hardly count on the establishment of a stable peace," he said. "Moreover, prior to the incident, the sides, including the Bosnian Serbs, had implemented the Dayton agreements, which makes this move particularly counterproductive," he added.

He also said that General Djukic was deputy in charge of the rear to Commander of the Bosnian Serb army General Mladic. In other words, he was a quartermaster, who, by virtue of his position, could not take part in combat operations, said the diplomat.

He announced that the Russian Foreign Ministry was to make a special statement on the issue Thursday.

Russia: Karasin: Sanctions Against Bosnian Serbs Should End

LD1302150496 Moscow INTERFAX in English 1433 GMT 13 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Russia believes that an early end should be put to sanctions against the Bosnian Serbs, as all of the formal obstacles have been removed, Russian Foreign Ministry spokesman Grigoriy Karasin stated during a briefing in Moscow Tuesday [13 February].

He said the U.N. security Council Monday continued to discuss the NATO secretary-general's letter to the U.N. secretary-general which says that in the opinion of the commander of the forces supervising the implementation of the agreement, the Bosnian Serb troops have been removed from the regions which are to be joined to another administrative entity.

"Under Resolution 1022, the final disengagement of forces and the notification of the Security Council of this fact, shall mark the time of complete termination of sanctions against the Serb Republic," said Karasin. "This must be done automatically and without the Security Council's resolutions or statements," he added.

"Individual members of the contact group still have doubts about the technical aspects of notification on the disengagement of forces," he said. "Namely, they have doubts whether or not this letter should be regarded as a notification on the disengagement of forces," he went on to say.

He expressed hope that "these problems will be cleared shortly and sanctions will be lifted from the Bosnian Serbs."

Russia: Karasin: Sending Serb Officers to The Hague 'Unacceptable'

LD1302172696 Moscow Radiostantsiya Ekho Moskvy in Russian 1600 GMT 13 Feb 96

[FBIS Translated Text] Once again the former Yugoslavia is the focus of attention. The recent arrest in Sarajevo of two top Serb officers could lead, if not to the disruption of the peace process, then at least to a worsening of relations between Russia and her western allies. Russian Foreign Ministry Spokesman Grigoriy Karasin said today that in this situation it is difficult to speak of trust between the sides.

[Begin Karasin recording] The legitimacy of the actions by the Bosnian side is questionable. Incidentally, we have appealed to The Hague for an explanation on this score. Their compliance with the principles of impartiality and freedom of movement is also in doubt, yet these are fundamental elements of a successful implementation of the agreement. The main thing is that Russia immediately undertook efforts to normalize the situation and the Americans took the appropriate actions — and we were the only ones. This practice of detaining people without justification and sending them to The Hague for what is, in practice, screening, makes us apprehensive. We think that this practice is unacceptable. [end recording]

Russia: Karasin Announces U.S. Secretary's Trip to Moscow

LD1302153196 Moscow ITAR-TASS World Service in Russian 1439 GMT 13 Feb 96

[By ITAR-TASS diplomatic correspondent Denis Perkin]

[FBIS Translated Text] Moscow, 13 Feb (ITAR-TASS) — US Secretary of State Warren Christopher is to come to Moscow on an official visit in the third week of March. At a briefing here today, Grigoriy Karasin, director of the Foreign Ministry's news department, said an agreement has already been reached to this effect.

"This will be a full-scale visit by Secretary of State Warren Christopher for contacts with his vis-a-vis, Russian Foreign Minister Yevgeniy Primakov", he said. According to the Russian Foreign Ministry's official spokesman, one of the major topics [at the talks] will be preparations for the meeting of the two heads of state Boris Yeltsin and Bill Clinton which will be held in April within the framework of the forthcoming nuclear security summit. At the same time, current problems of the bilateral relations and regional issues will be discussed. "All matters of mutual interest will be touched upon," Karasin said.

Russia: Karasin on Primakov-Christopher Talks in Helsinki

LD1302163796 Moscow Mayak Radio Network in Russian 1456 GMT 13 Feb 96

[FBIS Translated Text] The subject of Russian-U.S. relations has always been and continues to be of great interest to our listeners. Today Grigoriy Karasin, an official spokesman [illegible] the Russian Foreign Ministry, spoke about the results of the recent trip to Helsinki by Russian Foreign Minister Yevgeniy Primakov at a briefing for foreign and Russian journalists. Primakov met U.S. Secretary of State Warren Christopher there.

[Begin Karasin recording] The ministers focused on the key issues in Russian-U.S. relations. These and other issues will be discussed in detail at full-scale talks in Moscow, where the U.S. secretary of state is expected on an official visit, in the second half of March. Both sides stressed the importance of developing mutual relations for the stabilization of the situation in the world, the fight against terrorism, and the elimination of international conflicts threatening whole regions. At the same time it was noted that such relations should develop on the basis of equality and should take into account the interests of both countries. A significant place at the meeting was given to the complex of issues of European security. In spite of the existing differences in the approaches to this problem, both sides agreed that it was necessary to continue to build the European security architecture.

The situation in the Near East was also analyzed. The parties noted the need to improve the coordination of actions of both sides in the capacity of a co-sponsor of the peaceful settlement. The ministers examined the main issues on the disarmament agenda. We stressed the need to reach an accord on delimitation of strategic and tactical air defense as soon as possible.

The parties also touched upon some other issues. There was common understanding that the main task at present is to ensure the preparations for a comprehensive summit between Boris Yeltsin and Bill Clinton within the Moscow summit on nuclear safety which, as you know, we will host in April.

The talks were rich in content and fruitful. Both the minister and the secretary of state found a constructive language which bears witness to the importance of open and equal cooperation between Russia and the United States in the approaches to the main international, regional, and bilateral problems.

An important place was given to the improvement of predictability and stability in relations with each other, a code of conduct of its kind.

Yevgeniy Primakov stressed that there should be no return to confrontation and the Cold War because it was dangerous not only for our relations but for the whole world. The Russian minister thinks that in the conditions when the Americans started to get a better idea of the objective process of integration within the framework of the CIS they should not turn these issues into an annoying factor in bilateral relations. The minister told this to the U.S. secretary of state. The foreign minister reported the results of the talks in Finland to Russian President Boris Yeltsin yesterday, 12 February. [end recording]

Russia: Russia, U.S. Swap Spy Satellite Data on Environment

MM1302153396 Moscow IZVESTIYA in Russian 13 Feb 96 p 2

[Report by Natalya Timashova: "Spy Satellite Serving Environmentalists"]

[FBIS Translated Text] Russia and the United States have exchanged information formerly obtained by the countries' special services and, until recently, top-secret — we have given the Americans our information on their Eglin Air Force Base on the Gulf of Mexico in Florida, and we have been given information on their intelligence on our "Yeysk" Air Force Base located near the Sea of Azov.

This joint project has long been nurtured, developed, and brought to fruition within the "Gore-Chernomyrdin" Russo-U.S. Commission for Economic and Technological Cooperation. On 29-30 January Albert Gore and Viktor Chernomyrdin exchanged huge black folders containing plans, maps of petrochemical pollution, and other material that had long been lying around unused.

"This was the first such exchange within the framework of the program to study joint approaches to the utilization of information obtained by space-, air-, sea-, and ground-based means of collecting information by the national security services, and in resolving environmental problems," IZVESTIYA's correspondent was told by Mikhail Tolkachev, Russian minister of the environment and natural resources, said. "The national intelligence data base in the two countries is a very rich store of information which has so far been kept top-secret but could significantly supplement the information already available to us from civil systems. It turns out that we know a very great deal about each other. The ultimate aim of our work at the initial stage is to clear all Russia and U.S. military bases of pollution caused by fuels and lubricants."

Of course, spy satellites will not be producing loads of the latest information for our Ministry of the Environment and Natural Resources or for the corresponding U.S. agency or department. What will be used will be information obtained during the processing of primary data produced by the countries' intelligence departments. From this, specialists will "extract" only that information which relates to the environment and the influence of human activity on it. The use of declassified material produced by national security services could do a great deal to assist scientists in the forecasting and monitoring of negative natural and man-made processes — such as earthquakes, volcanic eruptions, tsunamis, landslides, coastal erosion, flooding, forest fires, and oil and gas pipeline bursts. The Russian side has proposed the promising "city-forest park-forest" project, whose implementation will allow scientists to use remote sensing systems to track the influence of a metropolitan area and its industry on plant growth within cities, urban areas, and nearby tracts of forest.

Russia: Seleznev: 'Retaliation May Follow' U.S. ABM Withdrawal

LD1302145196 Moscow INTERFAX in English 1432 GMT 13 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — State Duma Speaker Gennadiy Seleznev has said Russia should ratify START-II. However, he added, NATO's eastward expansion and debates on the possibility of withdrawing from the Anti-Ballistic Missiles agreement (ABM) in progress in the United States may have an impact on the solution to this issue.

For Russia it is more profitable in economic terms to ratify START-II and cut its strategic offensive weapons, than maintain them at the present level, Seleznev said at a news confence in Moscow on Tuesday.

However, he said, if the Western countries exert pressure on Russia and decide to expand NATO eastward, this will inevitably affect the solution to the issue of ratifying START-II. "All this will be interconnected," Seleznev said. "And if the United States withdraws from the ABM agreement, all will be ruined, and a retaliation may follow," he said.

With reference to the present situation in Russia, Seleznev said the president's and government's assertions concerning economic stabilization made on the eve of presidential elections run counter to the truth. "The president has no right to disorient people," Seleznev said.

According to varying assessments, the amount of delayed wages ranges between 13 and 20 trillion rubles, he noted. "Under the circumstances, talk of economic stabilization gives rise to either a smile or anger," Seleznev said.

He also criticized the government and presidential structures for being "closed to society and journalists." According to Seleznev, he already discussed this problem with First Deputy Prime Minister Oleg Soskovets. By way of an example Seleznev pointed to the State Duma, where 1,500 journalists are accredited.

Russia: Military Committee Chair Cited on Russian Arms Sales

MM1402102696 Moscow FINANSOVYYE IZVESTIYA in Russian 13 Feb 96 p 2

[Article by Viktor Litovkin: "Russia Lays Claim To Second Place in the World For Sale of Military Equipment Abroad" — received via internet]

[FBIS Translated Text] Sergey Svechnikov, chairman of the State Committee for Military Technical Policy, has announced that the volume of Russian exports of arms and military equipment in 1995 was over $3 billion, which is 80 percent more than in 1994. Over half these volumes are accounted for by aircraft and about one quarter by combat equipment and arms for ground forces and about 10 percent each by navy and air defense facilities.

There are every grounds for believing, Sergey Svechnikov says, that this year too the volumes of exports of Russian military output and services will be no lower than last year's. And Nikolay Yegorov, leader of the president's staff, has said that contracts have already been worked out for the sale abroad of military equipment worth $6.5 billion, which will put Russia in second place in the world for this indicator.

How can this growth take place? After all, the Russian military-industrial complex has not yet emerged from a very profound crisis and the volumes of the world arms market are diminishing rapidly — from the $40-45 billion which various countries used to spend every year on combat equipment and weapons to $25 billion — and Russia's share there today is scarcely more than 10 percent. And apart from Russia and the United States, Britain, France, the FRG, and other very large exporters of arms and military equipment, new arms sellers have appeared of whom virtually no one knew before. They are Brazil and Israel, the Republic of South Africa, the countries of East Europe, and even some CIS states including Ukraine.

In S. Svechnikov's opinion the world arms market is most in need of modern aircraft — that is virtually 50 percent of demand for arms and military equipment. In second place come submarines, surface ships, and other naval equipment (about 14 percent of demand) and then helicopters, armored vehicles, and missile weapons, air defense facilities, artillery systems, and communications, control, and surveillance systems.

And if as regards the latter component Russia is still not as strong and competitive as other countries of the world, its "Tochka-U" tactical strike complex, its MiG-29, Su-27, and Su-25 fighters and attack aircraft and their modifications, the "Kilo" class submarines, surface effect ships, missile ships, Ka-50 and Mi-28 helicopters, T-72 and T-80 tanks, the BMP-3 infantry combat vehicle, the "Smerch" and "Uragan" multiple rocket systems, the "Msta-S" and "Nona" artillery systems, the S-300B, S-300 PMU-1, "Buk-1," "Tor," and "Igla" air defense missile complexes, firearms and special purpose weapons, protective garments, night-vision devices and thermal imaging devices for detecting the enemy have no equals and in the opinion of Russian and foreign experts will enjoy a large and steady demand for quite a long time yet, right through the year 2000.

And in advertising them on the world arms market Russia is for the first time offering not individual types of weapons but also complexes together with facilities for surveillance, control, and the preparation of firing data, and communications facilities without ruling out the possibility of selling the technology for the production of these types of weapons. Nor is it rejecting joint projects, scientific research and experimental design work in the client's interests, or the creation of new types of weapons at clients' suggestion.

Thus, for instance, Russia is now conducting talks with Italy and France on joint developments in the field of military technology. Our country, Sergey Svechnikov stressed, is prepared in principle to cooperate with the East European countries in switching their armies' arms to NATO standards. Today we can produce a wonderful 5.56 mm assault rifle, which in terms of its tactical and technical qualities surpasses the famous M-16 rifle, and rounds for it, 155 mm artillery systems like the "Msta-S," and other weapons. That does not mean that Russia itself intends to switch to Western standards but if someone needs cheaper weapons with whose operation they are familiar and which are in no way inferior to transatlantic models and indeed frequently more effective then we are prepared to make them.

Russia's military technical cooperation is developing quite dynamically with the countries of the Persian Gulf, the Asia and Pacific region, and Latin America. The committee for military technical policy in conjunction with other organs of executive power is taking steps to restore economic and military technical ties with the CIS countries. It is true that in the opinion of the state committee chairman Russia's main partners in the next 10 years will be China and India.

Incidentally, India is the only country with which Russia has a long-term program of cooperation in the military technical field. With it we are making and modernizing aircraft and warships and in the very near future we shall embark on the creation of the new "Kopye" MiG-21 on the basis of the old MiG-21 aircraft, of which there are over 4,000 in the world. We shall train pilots for the MiG-29 and service and repair these and other aircraft.

The State Committee for Military-Technical Policy is satisfied at the way our military technical relations are developing with China too. But the state committee chairman refused to cite specific examples of this cooperation. Yet from the statement by Colonel General Petr Deynekin, commander in chief of the Air Force, it is known that Russia recently sold that country a license to produce the Su-27 aircraft. The cost of this contract was $2.5 billion. It is geared to 10 years and with other agreements will provide work for over 200 enterprises of our military-industrial complex.

Whereas last year Russia for the first time sold the United States the S-300V ground forces air defense missile complex, supplied Kuwait with the world's most powerful multiple rocket system, the "Smerch," sent a consignment of T-90 tanks to South Korea, concluded a deal with Brazil for "Igla" air defense missile systems, and completed the delivery to Malaysia of 18 MiG-29 fighter-interceptors, in the New Year other events, sensational in their own way, await us on the Russian arms market. Thus, according to information supplied to me by experts of my acquaintance, in 1996 Russia intends to use consignments of military equipment to extinguish some of its state debts to Hungary, Slovakia, Turkey, Finland, and South Korea. Cooperation with these countries in the military technical field has been backed up by over 10 intergovernmental documents.

The concept of military technical cooperation with foreign countries, Sergey Svechnikov said, will be very closely linked with the federal program which on instructions from the Russian president, is to be prepared in 1996. The implementation of this program, in my interlocutor's opinion, will, together with other measures, enable the military-industrial complex to emerge from the crisis.

Of course, the chairman of the State Committee for Military Technical Policy believes, Russian arms sellers have a great many difficulties and many tough and merciless competitors and there will be even more of them. But the events of the past year when there has been a decisive breakthrough in military-technical cooperation with foreign countries, state control was set up, and order introduced in the export of arms and military equipment and a fundamental legal basis created for it enable us to hope for further successes.

Russia: Yeltsin, Nazarbayev Call For Russian-Kazakh Integration

LD1302154596 Moscow ITAR-TASS World Service in Russian 1517 GMT 13 Feb 96

[FBIS Translated Text] Moscow, 13 Feb, (ITAR-TASS) — The presidents of Russia and Kazakhstan today called for new steps toward deepening integration in the economic, cultural, and scientific spheres in the interests of the peoples of the two states.

As Yeltsin's presidential press service reports, Boris Yeltsin received Nursultan Nazarbayev, who is in Moscow on an unofficial visit, at the latter's request.

During the meeting, there was discussion of questions of development of bilateral Russian-Kazakh relations, and also problems of CIS integration.

Russia: Civil Service Agreement Signed With Germany

MM1402100996 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 96 p 1

[Report by Dmitriy Orlov: "State Service: Our Apparatuses Will Be Friends"]

[FBIS Translated Text] Vladimir Antipov, deputy chief of the Russian Federation Presidential Staff, and Walter Priesnitz, FRG federal interior minister, signed a protocol on cooperation in the sphere of state service yesterday in Moscow. The signing procedure was attended by representatives of the Federal Assembly, the Russian Federation Government, and federal ministries and departments. It is worthy of note that this agreement was signed on the eve of FRG Federal Chancellor Helmut Kohl's visit to Moscow.

Commenting at the request of your ROSSIYSKIYE VESTI correspondent on the content of this agreement, Vladimir Antipov stressed that its main aim is to enshrine and continue FRG-Russian Federation cooperation in the sphere of state service. In particular, it makes provision for the broadening of consultations in the sphere of legal and other support for state service, exchanges of experience in this field, and business trips by state employees from both countries.

Russia: Yeltsin Condemns London Bomb Attack in Message to Major

LD1302215796 Moscow INTERFAX in English 1850 GMT 13 Feb 96

[FBIS Transcribed Text] Moscow, Feb 13 (INTERFAX) — Russian President Boris Yeltsin in a message to British Prime Minister John Major condemned last Friday's bomb attack in London.

"This crime once again proves the need for beefing up international cooperation in a bid to eradicate such an evil as terrorism," Foreign Ministry spokesman Grigoriy Karasin reported the message as saying at a news briefing in Moscow on Tuesday.

"The Russian Foreign Ministry reaffirms its position of strong condemnation of terrorism in any of its forms or manifestations," Karasin said.

Karasin said there was no justification for actions leading to renewed violence and loss of life no matter what reasons may have caused those who masterminded it to carry out the latest bomb attack in London.

Russia: Karasin Condemns IRA Terrorist Act in London

LD1302172396 Moscow ITAR-TASS in English 1536 GMT 13 Feb 96

[By Aleksandr Valiyev]

[FBIS Transcribed Text] MOSCOW February 13 (ITAR-TASS) — Moscow condemned the terrorist act staged by the Irish Republican Army in London saying it threatens to undermine a peaceful settlement in Northern Ireland.

"The explosion in the British capital last week again put under threat the process of resolving the conflict in Northern Ireland", Foreign ministry spokesman Grigoriy Karasin told a briefing on Tuesday.

"No matter what the organisers and executors of the terrorist act were guided by, there can be no justification to their actions which lead to the resumption of bloodshed and new casualties", he stressed.

Karasin said the settlement of the conflict in Northern Ireland "demands special patience, caution and goodwill of all the parties involved".

"The Russian Foreign ministry believes that the only way out of the conflict situation in Northern Ireland, which makes part of Great Britain, is not intimidation and terror, but a patient search of mutually acceptable compromises at the negotiating table", Karasin said adding that his ministry "resolutely denounces terrorism in all forms".

Russia: Yeltsin Calls on Angolan UNITA Leader To Observe Peace

LD1302231196 Moscow INTERFAX in English 1929 GMT 13 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Russian President Boris Yeltsin called on the leader of the Angolan opposition party UNITA [National Union for the Total Independence of Angola], Jonas Sawimbi, to observe the peace deal with the government, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Tuesday.

Russian Deputy Foreign Minister Boris Kolokolov handed over Yeltsin's message to Sawimbi during his stay in Angola and Namibia on February 2 to 7.

According to the diplomat, Kolokolov met with the top leaders of Angola and Namibia and handed over Yeltsin's personal messages to the two countries' presidents.

"In addition to the most pressing bilateral issues, the meetings focused on Angolan settlement and, more generically, on the situation in Africa as a whole," Karasin said.

Russian-South African consultations were held in Pretoria on February 8, Karasin said.

"Kolokolov's trip became another evidence that Russia is fully open for comprehensive cooperation with African [incomplete as received]

Russia: Foreign Ministry on Terrorism in Algeria

LD1302223896 Moscow INTERFAX in English 2204 GMT 13 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Russia is confident that the latest terrorist acts in Algeria will not curb stabilization of the internal political situation, economic reforms and establishment of the internal dialogue in the country, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Tuesday.

"Russia resolutely condemns the use of terrorist methods to achieve political goals," he said.

"As a rule, innocent people who accidentally happen to be near the site fall victim to such actions," he noted.

Karasin presented Russia's condolences to the families of those killed and the Algerian leadership.

Political Issues

Russia: Yeltsin Seen Running Despite 'Shaky' Support

MK1302141696 Moscow KURANTY in Russian 13 Feb 96 pp 1, 3

[Article by Anatoliy Pankov: "Yeltsin Draws Bead on Power. Can He Miss?"]

[FBIS Translated Text] B. Yeltsin will announce his intention to run for the presidency the day after tomorrow. If there were still some doubts about this decision, there are none following the announcement of Yekaterinburg as the venue for officially launching his election campaign. He will make the announcement precisely in the Urals, his home, where everything is easier, including making a sure start. Not in Moscow — which has come under the strong influence of Gaydar's and Yavlinskiy's parties (for that matter, the Chernomyrdin movement is not as innocuous as it might seem), which have clearly joined hands with the opposition — which fetches a lower price than before on the Russian political market and with which the Russian president has clearly become disillusioned. It is on the turf of his main rivals (the supporters of Zyuganov and Zhirinovskiy) — in the provinces — that Yeltsin will wage the main battle for votes.

The only thing is, will he be able to win? This is not only a question of his future, but also of the country's.

I will repeat what I have already said: I cannot see a single presidential candidate among the "pure democrats" who could win in June. Yavlinskiy? He will not even reach the second round, because the nomenklatura-economic managers of today's "party of power" (who are Yeltsin's real support) will not back him. They could back to some degree one who is almost one of their own — Nizhniy Novgorod Governor B. Nemtsov, whom Ye. Gaydar also tapped the other day — but nevertheless, he is an upstart to them; the time is not ripe yet for Boris Yefimovich [Nemtsov].

There are no really strong figures in sight capable of quickly uniting the democrats. Thus, please, democrats, forget about it: You have lost these elections. Swallow your pride, don't let your ambitions help Zyuganov or the "third force" — Zhirinovskiy — win. Alas, this is still the time of Boris Nikolayevich [Yeltsin]. Or of the successor he could name.

Yeltsin is very ambitious, very power-hungry. I did not just hear about this, not from V. Kostikov; I drew this conclusion when Yeltsin was still in disgrace and I used to have long conversations with him. This quality in a prominent politician is natural. But is it dimming his vision today? Has he weighed all the pros and cons? Does he realistically assess his strength, including his physical strength? Will he manage, in the four months remaining, to strengthen his currently very shaky position?

I think Yeltsin still has some chance, however small. There are several if's.

If none of the democratic-wing leaders runs and breaks up the already thin layer of reform-course advocates.

If it proves possible to at least calm down the situation in Chechnya.

If, also in the time before the election, Yeltsin resolutely, and I would say ostentatiously, presses on with reforms, never forgetting — within sensible bounds — about social security (there are funds for this).

If he makes no clumsy moves such as, for example, saying that unless the war in Chechnya is stopped, "I will not be elected president for a second term" (Should the war be stopped only for this rather than to preserve lives, including those of innocent people?), or that there are seven options for ending the Chechen conflict (seven means there are none), as an overreaction to the million signatures [for ending the war in Chechnya] collected by B. Nemtsov....

If Zhirinovskiy is his rival in the second round.

As for reaching the finals together with Zyuganov (which is more probable), I am not so sure that Yeltsin will win. Which is why the president should think twice before announcing his decision.

V. Chernomyrdin could be the single candidate of reform supporters. He is now much more of a politician in the public eye. Having no background as a laboratory head — not being an ideologist, that is — he, unlike Yeltsin, has better mastered the role of an economic manager devoted to market practices. He is virtually uninvolved in the Chechnya events. And he might be acceptable both to the radicals and to the nomenklatura.

He is vulnerable, of course, because as the man in charge, he could be blamed for everything. One should also be sure that the tough course of the last year will bring hopeful tidings as soon as in the next few weeks.

Another figure that could be acceptable to the radicals and the administration-economic management nomenklatura is Yuriy Luzhkov. He is unstained in any way through working for federal structures. What is more, even if he supported the "Russia Is Our Home" bloc, he repeatedly assailed the government. He is not responsible for the government's mistakes. At the same time, he is now one of the most influential politicians tackling concrete economic matters rather than pushing politics.

He is thought to be almost an unfamiliar name in the provinces. But it would be easy to sell the country on his candidacy in a very short time. His trump cards are there for all to see: Moscow is being renovated and built as never before, it has the lowest unemployment, the population enjoys broad social support, help is on tap for the most various categories — culture and science, big and small businesses, military people and the press.... These are not words, not promises of things to come — this is for all to see, and news of good deeds travels around the country. It is not all Luzhkov's achievement that Moscow has traveled a longer distance on the path of privatization than the provinces. It is precisely this that might tip off people in the sticks: This is our road to a radiant future — via a truly functioning market and support for businesses, rather than the road the Communist revanchists promise. Here is a man who actually uses the advantages of market relations.

It is a well-known fact that Yeltsin painfully reacts to the appearance of any rival from among.... the supporters of his course. Neither Chernomyrdin nor Luzhkov for that matter are going to run unless the current president wants them to (and I would not like to further sour their relations by writing this). It is virtually unbelievable that B.N. [Yeltsin] would give up his claim to the presidential throne in favor of these two most likely contestants. I cannot rule out an option whereby Yeltsin, at the last moment, blames Chernomyrdin for all the hardships that have fallen to the lot of the population, and we would see in the premier's post Luzhkov — a new, strong politician not suspected of shameful relations with the federal government, and who, as premier, would be in a contingency the acting president (he indeed became mayor [of Moscow] when G. Popov resigned from this post). A Yeltsin-Luzhkov tandem, as I see it, would bolster Yeltsin's position. This is in the event he fails to muster enough strength and arguments in favor of giving up the struggle and "appointing" his successor.

Well, what if Yeltsin wins? Would this victory guarantee the long-awaited prosperity and calm? Yes, the economic situation might, according to A. Chubays's prognosis, be favorable. But provided the reform course is followed unflinchingly, on the razor's edge. Could it be done by a new President Yeltsin, who has run off nearly all of his old team to please the opposition? Who would he rely on? The intelligentsia, which has virtually lost its idols in the president's camp? Businessmen, who will gamble on who is the strongest at the moment — and the State Duma might prove the strongest? The power structures, which are angry because of Pyrrhic victories and shameful defeats? Nomenklatura officials, toward whom the people's hostility is on the rise? National-patriots of the Limonov, Barkashev, and Vasilyev type, who have come to see in him a bird of a feather? Zhirinovskiy's "liberals," who have become his fellow travelers until their hour comes? [His] victory is as disturbing as a defeat.

But in two days the word will be let fly that cannot be taken back.

Russia: Yeltsin Seen Garnering Nationalists' Support

MM1302151396 Moscow PRAVDA in Russian
13 Feb 96 p 1

[Article by Boris Slavin: "Political Servility"]

[FBIS Translated Text] The presidential election campaign is certainly not going to be boring, to put it mildly. The very first moves show that it will contain plenty of surprises, sensations, and disclosures.

One such surprise is Gaydar's nomination of Nizhniy Novgorod Governor Boris Nemtsov for the presidency on behalf of the democrats. It is now becoming clear why the latter collected millions of signatures against the war in Chechnya. Of course, Nemtsov would gladly have agreed to his own candidacy had it not been for the "democratic" outburst of Boris Nikolayevich, who called this collection of signatures "Nemtsovism." ["nemtsovshchina"]

No less surprising was the support for Boris Yeltsin's candidacy by the rabid nationalist parties headed by Eduard Limonov. After lengthy debates the nationalists decided to vote for the incumbent president in the presidential elections. Why? Because he launched the war in Chechnya, took drastic measures against the pro-Western democrats like Chubays and Kozyrev, and began actively posing as the support of a "strong state" and national patriot.

The nationalists' support for Yeltsin shows how the two voting camps might eventually shape up in June. The president will be surrounded not only by the pro-state democrats but also by a large number of anti-Communist nationalists and Zhirinovskiy supporters. At the other end of the spectrum will be all the left-wing and center-left forces and some enlightened patriots.

As for the former radical democrats and centrists like Yavlinskiy, they will ultimately have to choose between a left-wing candidate and the incumbent president. It is quite possible that they will split into two groups, one of which will side with Yeltsin, the other with the left wing. Former presidential press secretary Kostikov's comments are highly indicative in this regard.

In his opinion, Boris Yeltsin has never been a democrat. On the contrary, the incumbent president tends more toward a regal life style. Having surrounded himself with toadies and "mentors," he not only shares a glass of vodka with them but also settles the fate of political figures. You can believe the author on this one. Who better than Kostikov knows the behavior of Czar Boris, who is capable of abandoning a loyal toady to the "incoming wave." Nevertheless, despite his dismissal, Kostikov is again urging the president to run in the forthcoming elections and stop the Communists' revanche. Rightly is it said, once a toady always a toady.

Russia: Voters Reportedly Being Bribed To Back Yeltsin

MM1302165796 Moscow SELSKAYA ZHIZN in Russian 13 Feb 96 p 1

[Report by Ivan Gavrilenko under the "Elections-96" rubric: "What's the Price of Signatures Nowadays? The 'Hunt' Is on for Voters"]

[FBIS Translated Text] We received a telephone call from Aleksandr Dmitriyevich Kostin in Buguruslanskiy Rayon, who told us that some women have been going around people's homes writing down their pension registration numbers. In exchange people have been promised a payment of 300,000 rubles [R], a sack of flour for which they only have to pay R30,000, and a sack of sugar costing only R50,000.

"We thought it was some kind of charity action," Kostin said. "We have asked the council of veterans, the local administration's social security department, and the heads of large enterprises, but no one knows anything about it. We have informed the police. Now we are telling you...."

It was not quite clear why the people of Buguruslanskiy Rayon had decided to appeal to representatives of the press. If it was a criminal matter, it should be left to the police to investigate.

"That is true," Kostin agreed. "But is there not more to it? Let me tell you what has been going on here...."

He said that the "campaign" to elect B.N. Yeltsin as president for a second term is in full swing in Buguruslanskiy Rayon. Workers at the "Buguruslanneft" Oil- and Gas-Extraction Administration are being invited to either add their signature to the list or prepare for dismissal. The same is happening on the railroad. So these mysterious benefactresses will deliver their sacks of flour and sugar and demand signatures in return. There are wealthy people in Orenburg Oblast, as there are everywhere else. Money is no object as far as they are concerned. The local "Russia's Choice" candidate, Savitskiy, spent R30 million in the previous election campaign. He was unsuccessful, although he did manage to collect some 3,000 votes. But that was the State Duma. This is the presidency — and it does not come cheap!

"You should go to the Buguruslanskiy electoral commission," I advised him.

"Why? What has it got to do with them?"

Indeed, who is responsible for protecting voters' rights? I telephoned Andreyev, chairman of the oblast electoral commission.

"Yuriy Vasilyevich, are you ready for action?"

"Of course. What is it?"

I told him what was going on and asked him to take steps. Especially as the local newspapers, YUZHNYY URAL and BUGURUSLANSKAYA PRAVDA, had also carried reports on similar situations. In the oblast center, for example, Kuvandykskiy Rayon, and the city of Orsk.

"Well," Andreyev begrudgingly replied, "if the commission was presented with documentary evidence, including names and signatures...."

"You mean newspaper reports complete with journalists' signatures don't count? Articles on this subject were published on 2 and 3 February. I will get copies of the newspapers and send them to you."

"Don't bother sending them to us. Send them to the Central Electoral Commission."

So the Central Electoral Commission was supposed to cover the whole of Russia? When on earth would the people in Moscow find time to cope? Something was not quite right here. I telephoned the oblast prosecutor's office to ask who was going to stop the wave of violence against ordinary citizens. The president is constantly on our television screens, promising to clear all wage arrears. Meanwhile, the opportunity is being exploited everywhere: If you want your wages, sign here. Otherwise....

The telephone was answered by Deputy Oblast Prosecutor B. Kolokoltsev. I asked him who was responsible for stopping the lawlessness.

"The prosecutor," he let slip. "Or maybe...."

Boris Vasilyevich evidently felt he had been put on the spot. I deliberately asked him to give me an answer by the following morning. The new day dawned — and what happened? The first deputy oblast prosecutor advised me to consult the Central Electoral Commission. So much for a rule-of-law state! So much for the regions enjoying full rights! So much for the people's right to freely express their will, guaranteed, according to the Constitution, by the justice system.

I put the receiver down and started to ponder about all this. A minute later, the telephone burst into life again.

Lyubov Tikhonovna Borisenko was on the line: Residential Building Maintenance Section No. 16 in Orenburg is demanding that people bring their passports to work with them, as it wants to collect signatures in support of Boris Nikolayevich. Anyone who refuses to sign will be sorry....

I expect to receive further telephone calls. From more distant regions next time....

Russia: Nemtsov Nomination Elicits 'Bewilderment'

MM1302140996 Moscow IZVESTIYA in Russian 13 Feb 96 p 2

[Unattributed report: "Confusion in Democrat Camp"]

[FBIS Translated Text] Ye. Gaydar's unexpected 11 February proposal to nominate Nizhniy Novgorod Governor B. Nemtsov as the united democratic forces' presidential candidate, with G. Yavlinskiy as his running mate for the post of prime minister, and B. Nemtsov's almost immediate refusal to accept the nomination, elicited interest and bewilderment. IZVESTIYA asked the main protagonists to comment on the situation.

IZVESTIYA correspondent Vasiliy Kononenko learned that Ye. Gaydar and B. Nemtsov had a lengthy discussion about this before leaving for the forum in Davos. Despite pressure from Ye. Gaydar, who tried to persuade B. Nemtsov that his involvement in the presidential campaign was essential less for him than for Russia and democracy, the Nizhniy Novgorod governor did not give his assent. The resulting report regarding the readiness of Russia's Choice to collect signatures in support of B. Nemtsov means that Ye. Gaydar was acting on his own account without the authority of the potential presidential candidate.

He always refused the offer — today he is still not ready to take on such a grave burden as presidential duties and responsibility.

At a press conference in Nizhniy Novgorod B. Nemtsov said that action groups have the right to collect signatures to nominate him or anyone else for the Russian presidency but that he himself is not about to run in the upcoming presidential elections and has no intention of giving the written consent required by law once these signatures have been collected, IZVESTIYA's correspondent in Nizhniy Novgorod Anatoliy Yershov reported.

When asked to comment, Yabloko leader G. Yavlinskiy said: "Various options are now being considered. Ye. Gaydar has voiced one of the initiatives under discussion. Consultations are continuing."

Regrettably, Ye. Gaydar was unavailable for the whole morning and therefore IZVESTIYA correspondent Sergey Chugayev asked S. Yushenkov, deputy chairman of "Russia's Democratic Choice" and State Duma deputy, to comment on his proposal.

The idea of nominating B. Nemtsov came from Ye. Gaydar personally and the decision was not coordinated either with G. Yavlinskiy or with the Nizhniy Novgorod governor although there had been preliminary consultations with both parties on this matter. The sides' consent had not been secured, but nor was there a firm refusal, which gave Ye. Gaydar the excuse for his initiative.

In this context it looks like a desperate attempt to rally anti-Communist and antinationalist forces on the eve of the elections. At the same time the party's leaders believe that the possibility of reaching agreement with B. Nemtsov has not been lost for good.

However, members of Russia's Democratic Choice decided to start collecting signatures in favor of nominating Ye. Gaydar for the presidency. Ye. Gaydar will most likely name as his running mate — for the premiership — A. Chubays, who was elected second deputy chairman of Russia's Democratic Choice 10 February.

Russia: Shumeyko's 'Ties' With Yeltsin, SBP Noted

964F1043A Moscow MOSKOVSKIYE NOVOSTI in Russian No 4, 28 Jan-4 Feb 96 p 9

[Report by Yevgeniy Krasnikov under the "Details" rubric: "A Familiar Course: Senate's Ex-Speaker Busies Himself With Ideological Support for Yeltsin's Election Campaign"]

[FBIS Translated Text] Vladimir Shumeyko, leader of the Reforms-New Course public movement, links the movement's immediate future with the upcoming presidential elections. In which "it is most desirable that Yeltsin runs." However, in order to take its proper place in the president's election campaign, the movement has to gain popularity.

In order to attract members of the regional elites, Shumeyko keeps emphasizing that the movement enjoys the "highest patronage." At first, the main proof consisted of the presence on the New Course's organizing committee of Georgiy Rogozin, deputy chief of the Presidential Security Service (SBP). Off the record, it was added that some influential banks known for their close ties to the SBP sponsor the movement financially. As

Shumeyko put it, Georgiy Rogozin "shows the movement's link to the president. This is understandable. All the president would need is one nod, and we would be gone."

Alas, General Rogozin never showed up at even one of New Course's public events. Then, as proof of his access to the "Kremlin heights," Shumeyko told journalists that the movement had signed a contract with the presidential administration of affairs on leasing office space. And also that the movement's ideologists "wrote for the president" the text of his message to the Federal Assembly and sent it to the Kremlin.

Speaking of his political future, the ex-speaker says that there are only two jobs he has not yet held in Russia—that of president and that of prime minister. He does not yet lay claim on the former. He may, however, succeed in competing for the latter if he renders effective aid to Boris Yeltsin in the next half-year.

Russia: Kostikov Reveals Thoughts on Yeltsin

LD1202172596 Moscow NTV in Russian 1800 GMT 11 Feb 96

[Report by Yevgeniy Kiselev; from the "Itogi" program]

[FBIS Translated Text] In the last edition of our program Vyacheslav Kostikov, former press secretary to Russian President Boris Yeltsin, who after leaving the Kremlin became Russia's ambassador to the Vatican, quoted extracts from his memoirs about the three years he spent working with Boris Yeltsin. This was not the first time he aired fragments of these reminiscences about the morals of Kremlin life: a large extract had already been published in the ARGUMENTY I FAKTY newspaper and it was in fact that publication which prompted us to ask Vyacheslav Vasilyevich to receive our film crew in the Vatican and share with us some more extracts from his upcoming book. For some the article in ARGUMENTY I FAKTY went unnoticed. This time, the probably innocent desire to promote his book was stamped on immediately — the day after "Itogi" went on air, Russian Vatican envoy Kostikov was recalled to Moscow. Foreign Ministry spokesmen and sources in the presidential administration regarded the excerpts from Kostikov's book which went out in "Itogi" to be criticism of the country's leadership and incompatible with his diplomatic status. On Friday [9 February] Vyacheslav Kostikov submitted his resignation, according to Kremlin sources and reported by INTERFAX.

Even last week the author himself, in fact, clearly suspected the sort of reaction his book would arouse but not from the country's leaders, rather from those he was actually talking and writing about, those who are customarily known as the president's entourage.

[Begin Kostikov recording in the Vatican] I think that what they tell the president about the book will set him against it. They will say the book is anti-president and such-and-such and that Kostikov has betrayed him. Their way of operating has left a bitter aftertaste in my mouth, you know, the lack of delicacy in the way they treat people. People serve truthfully and honestly and try and work but just let someone say something critical and straightaway someone runs off to the president and says the treacherous son of a bitch should be wiped off the face of the earth. This is, regrettably, the way a certain circle of people do operate and they quite simply set Boris Nikolayevich at odds with people who could be useful to him, and with the press. You only have to publish some critical article and someone instantly puts it in front of Boris Nikolayevich — here, Boris Nikolayevich, you see what bad things they write about you, that's the sort they are, it's a zionist newspaper. That's the sort of thing that goes on. [end recording]

But who in fact was it who found the extracts from Vyacheslav Kostikov's book which he shared with us in the "Itogi" interview particularly distasteful? And above all, what is his attitude to the president? Has he betrayed him? You may find the answer to that question in the second part of Irina Zaytseva's interview with Vyacheslav Kostikov in the Vatican which we shall now show for the first time.

[Begin Kostikov recording] First and foremost, of course, it is a book about the president, about Boris Nikolayevich himself. His is a complex and contradictory character, passionate and carried away by passions both strong and weak. And it is, of course, about the president's men, about the team, most of whom were my friends and still are. Boris Nikolayevich's team is not monolithic. Even in the closest circle of the presidential aides, there are serious differences in ideological interpretations. For example, [Yuriy] Baturin, [Georgiy] Satarov, [Aleksandr] Livshits, [Mikhail] Krasnov and [Lyudmila] Pikhoya make up one group — these are people who serve democracy truthfully and honestly. They help Boris Nikolayevich and try not to expose Yeltsin to any blows.

Others, though, do expose him to blows — not those people who come to the president through the official doors of his reception room and who genuinely work from the official side. But the president mixes with other people. [Aleksandr] Korzhakov and [Mikhail] Barsukov really are the ones closest to the president, closer than any of his aides, because it is they who guard him and are the ones who most often stay with the president after the end of the working day, when his aides go off home. Their influence has recently, I think become unjustifiably great. I have no concrete evidence of this, but I sometimes notice in what the president says, phrases, shades of meaning, information, and even gestures which his aides would never advise him to make. He gets this information, he is fed these phrases, but this communication is at a different level of communication. And then the president, as a sincere man, tells journalists about this and sometimes this produces a very painful impression. That is, information sometimes goes through informal channels which have no official status and the aides have no possibility of controlling this information. We never know what the president is told in his personal apartments.

It seems to me that Korzhakov is in the tradition of the Russian gentry, there were always special relations between the gentleman and his retainer. Korzhakov under Yeltsin feels himself to be a manservant who can bring his slippers, eat soup, and drink vodka with him and in the interval say what he thinks about articles in newspapers and bring in a person which perhaps should not have been brought in to Boris Nikolayevich. He regards himself as a bodyguard in the broadest sense: He thinks he should guard not only the president's body but the president's soul and literary interests as well. There is a well-known formula, cast in bronze and hewn in granite that in the sphere of power, to start with you join with friends to conquer your enemies; then you get rid of your friends; and then you attribute all victories to yourself and all defeats to the friends and enemies. Boris Nikolayevich has brought nothing new, I think, to this age-old formula. Friends have always come in for the chop, I do not know why. I do know why where Boris Nikolayevich is concerned, though. I write about this in the book, where I make a special analysis of this question for myself.

I may be mistaken but it seems to me to be connected with the fact that Boris Nikolayevich has an ideology of his own. He does not have democratic convictions of his own. He never has had. He grew up in a certain system of power. He is a man of power. By his character he is without a doubt a man who is able to and who likes to dominate and his ideology, if you like, his friend, his concubine, his lover, his passion is power. Yeltsin cannot conceive of himself without power and outside power. He has very strong habits of power, sometimes even exceeding the bounds of any sensible ethics. Unfortunately, part of his entourage eggs him on to this. It is a terrible thing when people try and persuade someone that he is great and irreplaceable and mighty. He may indeed be such. But he should not tell himself this and should not permit others to say so.

In connection with this, I recall one very interesting episode linked with the president's meeting with [Aleksandr] Solzhenitsyn. Boris Nikolayevich was very worried and got quite worked up about this, taking a great deal of trouble to prepare for the meeting. We drew up some notes for him and even drew up a list of all Solzhenitsyn's works. Yeltsin read all this carefully. But he just could not decide for himself what tone to adopt, how to talk to Solzhenitsyn — as a great man to a great man, or as you know, sometimes Boris Nikolayevich increasingly often lets slip the phrase — I, as president. Everybody else is thus something other. Some aides tried to persuade Boris Nikolayevich saying: Boris Nikolayevich, Solzhenitsyn is a great writer, a major Russian philosopher, really a man who has serious, if not always correct, ideas about how to build Russia. It is useful to talk to him as an equal, to listen to what he says and tell him what you yourself think. But there were other people who talked to Boris Nikolayevich along these lines — well, Boris Nikolayevich, just what is Solzhenitsyn then? He's no Lev [Leo] Tolstoy, after all. He's written a couple of books about the camps but everybody's tired of him now. Boris Nikolayevich, there are many Solzhenitsyns but there's only one of you. Fortunately, as far as I know, Boris Nikolayevich did strike the right note and their conversation was very good and cordial; I think they even drank a bottle of vodka together, so to speak, and told one another everything major statesmen should say to one another. But this system of turning the president into a monarch is of course very dangerous. I have not tried to talk about things such as the gutter press, things which everybody knows about. I tried to compose a small mirror, and one for the president, at that. I think the book will appeal to Boris Nikolayevich's family, to Naina Josipovna, who is a sober and very decent sort of person, I think his daughters will read it. I should very much like Boris Nikolayevich himself to read this book because he and I lived side by side for three years and very often looked one another in the eyes. And I understand that Boris Nikolayevich now more than ever before is in need of the strict truth. In order to win, if he wants to win, he needs to rid himself of a number of illusions and perhaps to take a critical look at some of the people in his entourage, perhaps take a stricter look at himself. I think that if he were to read this book, I think it would be useful for him. I think it might even help him to make those moves which might lead to victory. But I repeat, the victory will be very difficult. Returning to the current situation, when people say that yes, the president is making mistakes, yes, he is bad, yes, it would be good if we had another president. In this connection, I always recall, first and foremost, a conversation between [Aleksandr] Fadeyev and Stalin, when Fadeyev came and started to complain to Iosif Vissarionovich: The writers are bad, they drink, are careless in their dealings with women, they're stupid, brawl all over the place, write badly. Stalin sighed, puffed at his pipe, and said: I do not have any other writers, we have to work with the ones we have.

You know, all our good candidates, whom I respect, from the democrats, were good in the situation in which european democracy finds itself, when everything is already sorted out and established. Just look what is happening now: The communists have in effect seized the Duma and in a certain measure have seized the Federation Council. And now a terrible brawl is starting to amend the constitution, which in actual fact we had to fire from tanks for. Neither subtle Yavlinskiy will do, nor wise Gaydar, nor just anybody or other, nor brilliant Boris Fedorov, if they are confronted by the fatal question: What is to be done? They will simply be rushed by the communists because they are such a force they will simply squash them. And I say yes, probably the democrats have a mass of just reproaches to make against Boris Nikolayevich. Yes, he makes cadre mistakes and is continuing to make them and is forced to manoeuvre. But if one has to go out without chainmail and halt this horde of communist revanche, then I do not know who can do this except for Yeltsin. [end recording]

Vyacheslav Kostikov's last words there probably give a pretty convincing reply to the question of how he regards the Russian president. Why he decided to give such an interview to "Itogi" is hard to say. Probably, those are in part right who say that such frankness on such a delicate topic is not wholly compatible with the very conservative norms and rules of the diplomatic profession. But nevertheless, the essence probably lies elsewhere. Kostikov did not serve the president as people serve a boss. Kostikov was one of those who worked with the president for the sake of the democratic idea, who felt himself a comrade in arms, a like thinker of the president, and probably surmised that as a comrade at arms and like thinker, he had the right to say impartial things sometimes. Well, probably the time for comrades at arms is passing.

Russia: Citizens' Letters to Kremlin Analyzed

MM1402094496 Moscow ROSSIYSKIYE VESTI in Russian 13 Feb 96 pp 1-2

["Extracts" from report compiled by the Russian Federation President's Administration for Work With Citizens' Appeals: "What Russia's Citizens Write to the Kremlin About"]

[FBIS Translated Text] In 1995 the Russian president and the country's government received 283,000 written and oral appeals. The dynamics and nature of citizens' appeals to the country's leaders undoubtedly reflected the celebration of the 50th anniversary of Victory in the Great Patriotic War, the Russian State Duma election campaign, and the events in the Chechen Republic.

But this great torrent of correspondence between Russia's citizens and the president also covers spheres of life in which mutual understanding prevails between the authorities and the people. It does not suit the opposition to talk about this. Boris Yeltsin's opponents harp on about the same old shortcomings, repeating them to the point of uselessness.

The editorial office has a unique document at its disposal — a systematic analysis of citizens' letters to the country's leadership. This report was compiled by the Russian Federation President's Administration for Work With Citizens' Appeals.

We present extracts from this report.

The right to participation in cultural life and enjoyment of cultural institutions. Freedom of creativity. In the group of letters brought together under the rubric "Science, Culture, Information," there are virtually no appeals from citizens concerning direct violations of these constitutional rights. However, there are quite a few from people who do not have the opportunity to exercise these rights to the full, for material reasons.

Among the positive parameters revealed in the course of analysis of mail from citizens to the country's leaders in 1995, there is an absence of direct indications of violations of one of the fundamental principles — **the equality of all before the law and the courts** regardless of sex, race, nationality, language, social background, place of residence, attitude to religion, convictions, or membership of public associations (certain writers believe that there is tendentiousness based on material and social position).

Equally positive findings can be drawn from citizens' mail with regard to the **rights to freedom of thought and speech, unhampered expression of opinions and conditions, and access to all posts in state organs depending on professional training**.

It is no exaggeration to say that the mail provides numerous examples of the practical implementation of **the right to participate in the management of society's and the state's affairs both directly and**

through representatives freely elected on the basis of universal equal suffrage and by secret ballot.

Everyone's right to the acquisition and termination of citizenship. Statistical analysis of the mail in recent years indicates a clear reduction in the urgency of this problem for Russians. Whereas in 1992 letters on the problem of establishing or acquiring citizenship reached a peak, with 3,644 appeals, and in 1994 1,982 such letters were received, last year the figure was 1,489. Obviously this is attributable to the fact that corresponding interstate accords have been reached within the CIS framework and Russian legislation has been improved.

Nonetheless more than half the mail received in last year on these matters came from ethnic Russians [rossiyan] living in the CIS countries (mainly Georgia and Ukraine) and the Baltic, and also citizens of those states who have been resident on Russia's territory for many years. Both categories declare their desire to formally document Russian citizenship for themselves and their families. Here it is noteworthy that the majority of Russians living in the near abroad are not familiar with the mechanism for the exercise of their rights enshrined in the Law "On RSFSR Citizenship" and the amendments to it adopted in 1993.

In the context of the general fall in the volume of such mail, there has been no reduction in the proportion of appeals concerning the problem of dual citizenship.

The right to assemble peacefully and without weapons and to hold rallies, street marches, demonstrations, and pickets on condition that the authorities are given advance notice; the right of association. Analysis of the mail provides grounds to state that these rights are exercised by Russians to a very high degree. This is indicated by the thousands of resolutions of rallies and assemblies of various professional and social groups expressing diametrically opposed attitudes to the current reforms; appeals, demands to the country's leadership, etc.

In the mail there are isolated appeals concerning problems with the registration or activities of particular associations, but these are exclusively technical in nature. At the same time hundreds of appeals in the name of parties, unions, councils, associations, action groups, etc. testify to the wide and in effect unhampered utilization of the right of association.

Freedom of conscience, religion, and religious or atheistic activity and to act in accordance with them on condition that the law is observed. The mailbag concerning believers' rights is very small — about 30 letters in the course of the year. It consists of isolated reports of obstacles allegedly created by local administrations to the performance of religious rites and the dissemination of people's views. As a rule this concerns the activity of nontraditional or small sects.

Diametrically opposed reactions were aroused by the activities of religious associations like "AUM Shinrikyo," the "Krishna Consciousness Society," etc. Members of these organizations believe that after the well-known events in Tokyo their rights have been grossly violated. Other letter writers are inclined to regard their activities as going beyond the bounds of legislation and posing a danger of friction between faiths.

It should be noted that there was only isolated mail in defense of the Russian section of "AUM Shinrikyo."

On monitoring of observance of human and civil rights and freedoms in the Russian Federation. Only 200 letters were observed whose authors report infringement of their political rights and believe that this is the fault of officials of republic, kray, and oblast administrative organs or local self-government organs.

However, analysis of these letters shows that only in individual cases have the complainants appealed to judicial organs, preferring to seek the protection of their rights direct from the Russian president or the government.

At the same time a central place in this 36-page report is occupied by an analysis of the mail on socioeconomic questions. These letters are primarily critical in nature and reflect a panorama of everyday problems of every kind.

The compilers of this lengthy work paid equal attention to citizens' letters talking about the observance of Russians' constitutional rights, and to the numerous reports from the provinces containing flagrant instances of red tape, bureaucracy, and violations of human dignity.

The report's authors also analyzed citizens' mail to the country's leadership from the viewpoint of the implementation of legislation at both federal and local levels.

The conclusions reached by the compilers of the report are as follows:

1. **The Russian Constitution is still not sufficiently perceived as a document with direct force** either by citizens themselves or by the organs of power. This creates in both sides an expectation and demand for various laws, Russian presidential edicts, government decrees, or even departmental normative acts in which the procedure for the realization of constitutional human and

civil rights would acquire clear rules, an implementation mechanism, and sources of finance.

2. The other side of the foregoing conclusion is demonstrated by the many hundreds of letters criticizing Russian Federation laws which are designed to grant privileges and additional rights to individual categories of citizens, but which require the further formulation and adoption by the Russian Government of secondary enactments and statutes. This procedure, as a rule, is long-drawn-out, and that causes an upsurge of dissatisfaction. The year's most graphic example was the problem of the realization of the Law "On Veterans." In this connection certain letter writers conclude that laws are promulgated "in order to show that the human rights situation in Russia is fine, but are not intended for practical implementation at all."

3. **The proper legal knowledge of citizens and officials of state and public organs is only at the stage of development.** Here it should be admitted that an effective system of protecting the individual against state tyranny is thus far only sketchily delineated, while the country's citizens, by force of a concatenation of circumstances, have not developed an understanding and respect for the dialectics of one of the most important principles of social life: "The exercise of human and civil rights and freedoms must not violate the rights and freedoms of other individuals" (Article 17 of the Constitution).

4. **The largest number of reproaches from citizens is prompted by their encountering an inability or reluctance on the part of local and sector organs of management to ensure implementation of citizens' constitutional rights and fulfill the laws and normative acts issued for this purpose.** On the other hand, those local legislative initiatives that openly violate the individual's constitutional rights also do not go unnoticed. In particular, the letter writers are perplexed, to say the least, by normative documents which not only preserve the institution of residence permits in a number of regions, but also restrict Russians' transit rights there.

5. The nature of Russians' appeals to the country's leadership indicates that **the status of law and order and the work of the law enforcement system have become the most burning problems of the state and society**, and if they are not resolved many letter writers cannot imagine success for the current economic and sociopolitical reforms for the benefit of the citizens of Russia and the whole federal state.

Thus, it is perceived as necessary and important to **adopt measures which would in practice show the Russian Constitution to be a document with direct force**, not only declaring, but ensuring human and civil rights. Obviously the leading role should be played here by judicial organs — both the organs of general jurisdiction and the Russian Federation Constitutional Court.

An in-depth analysis is needed of the entire system of legislation aimed at granting privileges and rights to particular categories of citizens. Many complaints are prompted by the fact that federal organs fail to "back up" legal acts with implementation "mechanisms" in good time.

In particular, certain letter writers propose either the "suspension" or the repeal of those of them whose implementation is unrealistic in the context of the present economic situation. On the other hand, the writers warn against the adoption of new legislative acts requiring substantial additional finance from the approved budget.

It is considered important **to bring legislation in line with generally recognized standards of human rights and freedoms not only at federal level, but also at the level of the competence of the power structures of Federation components and local self-government.** This will make it possible to eliminate a certain "diversity" in ensuring human rights throughout Russia's territory.

Russia: Kulikov Details Proposal To Boost Budget

MM1402121296 Moscow IZVESTIYA in Russian 14 Feb 96 p 2

[Interview with Internal Affairs Minister Anatoliy Kulikov by Yuriy Snegirev; place and date not given: "Internal Affairs Ministry Chief Puts Forward His Solution for Budget Problems Based on Police Interests"]

[FBIS Translated Text] At the government's evening session on Friday Internal Affairs Minister Anatoliy Kulikov announced his program for funding the budget. The important forum heard the words: nationalization, use of the gold and currency reserve, refusal of budget funding for Chechnya.... Judging by reports in the press, the army general's plan not only provoked an outpouring of emotion in government circles but elicited a hysterical reaction from liberals. Our correspondent approached the "rabble-rouser" himself, Anatoliy Kulikov, for an explanation.

[Kulikov] This is not an economic program but a simple series of actions of a leader who sees no way to pay the unpaid wages of those in his charge. If there is no money, we must find a way to fund the budget's income component and not sit twiddling our thumbs. We have gotten used to sharing out budget money, but nobody apart from the Finance Ministry has thought about how to fund the treasury. Now the "cupboard is bare." It is getting to a point where prisoners are writing me requesting an improvement in their upkeep. This is to say nothing of police officers.

Proposals have been sent to the president and chairman of the government, where several alternatives have been produced for scrutiny.

[Snegirev] What is the nature of you proposals?

[Kulikov] First, there should be a partial nationalization of those major commercial structures — monopolies — which are able send money to the treasury but are failing to do so for various reasons. I am not naming any names to avoid an unnecessary hullabaloo. Incidentally, Roosevelt used such a measure during the great depression in the United States, as did De Gaulle in France after World War II. It is essential to turn to the assets of the so-called Soviet foreign banks [sovzagranbank], a controlling block of whose shares are in some places already being transferred to commercial structures. In our opinion, it also is necessary to take into consideration this opportunity to fund the budget. I think that this is fair when 50 percent of their shares belong to the state, especially as these were originally state banks.

Second, securities (promissory notes) should be issued against the CIS countries' debts to Russia, in accordance with global practice. Now the debt amounts to around $9 billion. Maybe this harsh measure constitutes a threat to the debtor-countries' economies, but it will stimulate debt repayment to Russia.

Third, the currency band's limits need to be expanded to give the Central Bank a chance to smooth out the blips in the dollar exchange rate. The part of the gold and currency reserve that is being used to support the current band will be released.

It is proposed that excise policy should be reviewed as it affects oil exporters. Alongside the customs tariff it is necessary to introduce excise duty for all oil extracted in Russia. But at present there are no controls on oil sales and far from all the money finds its way into the state budget.

It is also worth introducing a single customs and banking control system on a Russia-wide basis which will strengthen control and expedite the payment of duty to the budget.

We will have to give up making ineffective budget investments. Such as those for rebuilding the Chechen economy. Just look at what happened to the just recently rebuilt Gudermes train station after the December operation. There are as yet no firm guarantees that military operations will not recommence — it is not worth investing money in the Chechen economy. This, of course, does not affect pensions and allowances for, among other things, loss of dwelling and a breadwinner....

It seems to me that other budget expenditure is also pointless. For example, in Point 4 of the Russian Government Decree of 12 January some 49.5 billion rubles [R] were set aside to organize and hold the 300th anniversary of the founder of the Demidov plant and the 250th anniversary of the Russian samovar!

There is a proposal to close the so-called "black holes" — the free economic zones. In the "Ingushetia" zone businessmen have been exempted from all taxes and duty. There is no currency control. Everyone who has $1,500 authorized capital can register his enterprise there. Of course, not a kopek finds its way into the federal budget. Where is the guarantee that criminals will not rush to "Ingushetia" to launder their money?

It is necessary to finally introduce a declaration of income for citizens. The Tax Service should administer checks and, if there are grounds, charges should be brought by the prosecutor's office in accordance with Article 235 of the Civil Code. They should go as far to confiscate and then sell real estate, with the proceeds going to the budget.

Finally, many ministries and departments rent out their premises and the budget in no way benefits from this economic activity. We have calculated that the Ministry of Foreign Economic Relations should pay R55 billion for last year; the Ministry of Atomic Energy — R34.3 billion; and Ministry of Social Protection of the Population — R3.6 billion. It is absolutely necessary to recover these sums from them.

[Snegirev] I heard that you are a doctor of economic sciences. But did anyone help you put this program together?

[Kulikov] Yes, I do have a doctorate of economic sciences in the field of "military economy." As far as the program is concerned, I repeat once more: It is only a set of proposals for the government of the country on finding sources of funding for the budget's income component. Those involved in this included specialists we have here from the Main Administration for Combating Economic Crimes, for example, and other services.

I have only set out ways of funding the budget. They are possibly not unquestionable. But several ministers supported a number of my views at the government session. I think that other departments should also put forward their proposals and not just register difficulties. There is no point in immediately giving them a hostile reception. It is necessary to think together how these proposals might best be put into effect. If not all of them then at least some.

Russia: Latsis Attacks Zyuganov on Communist Record

MM1302192596 Moscow IZVESTIYA in Russian 10 Feb 96 p 4

[Article by Otto Latsis: "CPRF — Party of Russia's Antichoice"]

[FBIS Translated Text] At the recent Davos forum, Anatoliy Chubays caught Gennadiy Zyuganov saying one thing to a Russian audience and quite another thing to a foreign audience. It seems that Chubays underestimated the CPRF [Communist Party of the Russian Federation] leader's degree of flexibility. On his return to Moscow, in his first speech in the Duma 7 February, Zyuganov tried to become a virtual social democrat. He spoke in favor of a mixed economy, promised that if he came to power he would not take back what has been privatized, and instructed that military operations in Chechnya be discontinued.

What people will not do to improve their election image! But for some reason nothing was said about the CPRF's giving up its policy thesis about allowing private ownership only in the "transitional period." As for Chechnya, Zyuganov's speech only really proposes to create an "authoritative commission" and indeed another vice premiership. The main thing, however — the image of Zyuganov the pluralist — radically contradicts his own fairly recent speeches.

DOES ZYUGANOV HOPE TO WIN THE ELECTION? [all capitals as published]

First and foremost, Gennadiy Zyuganov's report at the Fifth Plenum of the CPRF Central Committee was undeservedly ignored by commentators.

The Communist leader speaks with great satisfaction about the fact that his party secured 35 percent of the seats in the Duma. On the other hand this says as much about the undemocratic nature of the Law on Elections as it does about the party's success. After all, the proportion of seats seized by the Zyuganovists in the Duma is one-and-a-half times greater than the proportion of votes the electorate gave them. And even the CPRF leader himself did not hide the fact that only 15.5 million people voted for his party, and fewer than 20 million voted for the communist parties in total. If you recall that the total number of voters is 107 million, it becomes clear that first place in the parliamentary elections does not guarantee victory for the communists in the presidential election.

The CPRF leader is urging people to realize that the party has almost exhausted the present potential and new scope must be sought. What kind of potential? Zyuganov is calling for a major renewal of the entire strategic, tactical, and ideological arsenal.

So what should a review of the ideology comprise?

It essentially boils down to a proposal to reject modern Western civilization as a "dead end" and make a "breakthrough to a new socioeconomic system based on the great Russian cultural-historical legacy." This section of the report is called "Not Catching up, but Overtaking." But after all, this is not a new idea; it is an old one. It was Lenin's idea, which is not necessarily a bad thing in itself: Lenin had a lot of sound ideas. But the idea of overtaking and leaping forward ("breaking through," according to the latest fashionable terminology) has served as the basis for some disastrous undertakings, and when Stalin carried them out, horrifying ones.

The overexertion of the country's forces for the sake of a leap forward caused social dystrophy from which Russia has not recovered even decades later. What new thing have the Zyuganovists thought of which will enable them suddenly to make a success of something which no one else has ever done successfully? At the moment it is only possible to grasp one thing: It is being proposed that we should "break through" not on the basis of the ideas of Marx but on the basis of Russian traditions. This is doubtful. The Russian czars who shielded themselves from Western experience also renounced "break-throughs." Most probably nothing will actually be thought up except for what was there before: suppression of the laws of social development, which has always turned into oppression of the people.

However, discussions about concrete methods of ideological reorientation are not relevant if only because a reorientation of the electorate on such a grandiose scale is a strategic task, and you cannot change anything in five months here. But if nothing else is being planned in order to achieve victory, then maybe Zyuganov is not counting on victory?

Additional acknowledgment of this is contained in the section of the report very frankly entitled, "We Are Plugged Into Power." Here is the key maxim: "There is no need to be excessively modest and shout from the rooftops that we are 'not plugged into power.' No, in actual fact we are already plugged into it, and now the task is to ensure that our opposition to the policy of the regime is turned into confrontation between its legislative and executive structures."

You cannot deny it, the CPRF is promising us a wonderful "strengthening of the state" and "restoration of order"! Admittedly, the speaker hastened to explain, he intends to resolve the confrontation by peaceful means, by changing the Constitution. But after all, the legal procedure for such changes is extremely complex, and even if the Zyuganovists have enough votes to do this, there is certainly not sufficient time before the election. It is hard to imagine that they have given up the fight for power. We must assume that they are mainly counting on fighting for power some other way, and not by winning the presidential election.

Nevertheless, they could win the election if their rivals operate just as unsuccessfully as they have done hitherto. Since this cannot be ruled out, we must imagine clearly what awaits us in the event of a CPRF victory.

IS IT POSSIBLE TO GET BY WITHOUT CHOICE?

The section of the electorate which supported the CPRF are right in their own way: In a society where it was bad for the majority, it was good for them, the minority. After all, not everyone stood in line for scarce goods; some people obtained those scarce goods at cheap prices with no waiting lines, while others even obtained an income from trading in scarce goods. Yet others did not live very well even then, but remember only the best things from those times — partly as a result of the nature of the human memory. Whether consciously or subconsciously, they are hoping that the old mechanisms of social guarantees can be brought back without losing what has now become customary in the new life: a reliable supply of goods, freedom of choice — and not only terms of consumer choice, not only political choice, but life choice.

This is very convenient, having the right of choice but not bearing the responsibility for that choice. Not bearing responsibility for what Hayek and others described in rather simplified terms as a choice between freedom and equality. The Zyuganovists are removing this burden from the soul: They maintain that choice is not inevitable. All you have to do is vote for them, and then you will have both equality and a land of milk and honey.

Zyuganov is already demanding that the following be carried out in the 1996 budget by means of amendments: paying back the state's debts to enterprises and the population after indexing them; funding the "real needs" of science, culture, education, health protection, and defense; increasing pensions, grants, and wages in accordance with the minimum living standard; implementing a "large-scale state order" for output from the agro-industrial complex and enterprises producing consumer goods; and reducing taxes. Furthermore, fixed bread prices have been promised, as well as a freeze on rent. Is it possible to do all of this, do it all simultaneously, and indeed all the space of one year? It is. But only on a condition which Zyuganov is silent about: On the condition that the printing press is turned on at full capacity to print empty money with the inevitable acceleration of inflation, which is currently decreasing. Obviously it is possible, as happened in our country decades ago, to once again turn overt inflation into suppressed inflation, that is, to turn away from prices being set by the market and toward prices being set by officials. But these would only be realistic prices for officials supplying themselves with goods from a secret distributor. For everyone else there would be ration cards, waiting lines, and commodities chosen by the chiefs.

However, maybe the CPRF leaders sincerely believe, with the simplicity of a Chekhovian criminal, that if only one "screw" is removed from the market economy, then it will not come crashing down. But in an interview with SEGODNYA, Gennadiy Seleznev, the new State Duma speaker from the CPRF, pronounced that the government might release billions of dollars from the Central Bank's currency reserves for the payment of wages. He seriously believed that this is money in the state's pocket, and it is only the ill will of the government that is preventing it from being released to a good cause. He cannot figure out that the dollars bought by the banks from Russian citizens for rubles cannot be "simply" put into circulation, just as you cannot "simply" print and hand out more rubles. He does not suspect that the independence of the Central Bank and the ban on funding the state budget by means of Central Bank credits are not an empty formality, but are a necessary device against a situation whereby people are robbed by inflation. And people with such unbelievable economic ideas are planning to run the country!

Zyuganov sometimes gets so carried away by his too frequent promises of miracles that he himself seems to lose his bearings as regards where miracles end and reality begins. His reasoning on a subject which has recently become an idee fixe for him — the so-called genocide in Russia — testifies to this. Genocide, as we know, is what the wholesale physical destruction of a population on an ethnic basis is called. The present Russian hardline opposition calls the reduction in the population of Russia as a result of the change in trends in population growth — a completely different phenomoenon — genocide. This phenomenon does not always testify to a low level of material consumption; conversely, in poor countries the population almost always grows rapidly, and periods of reduction in population are most often observed in industrial countries with a high material and cultural living standard. Admittedly, for Russia today a reduction in the population is undesirable, but by trying to turn an age-old problem into a transient accusation against the reformers Zyuganov has gotten so carried away that he is way off the mark.

He is advising the government to "clearly formulate its concrete policy aim in one single point: "by such and such a date the reduction of the population will stop, and the average life expectancy will start growing" — just like that! The idea that you can plan the birth rate and the death rate "by such and such a date" is not even on the level of the extreme bureaucracy of the "planned economy"; it is on the level of Shchedrin's town governors.

Having gotten carried away with accusations against the government, the CPRF leader forgot to look in the church records. The average life expectancy has ALREADY begun to go up, increasing by one year in 1995 as compared with the previous year. The fall in the birth rate stopped in 1994 for the first time since 1988. Admittedly, the birth rate decreased a little again in 1995, but on the other hand the death rate went down far more, so that overall the reduction in the population has slowed down. In other words, the most general indicators — life expectancy and population growth — are by no means good today, but they are no longer deteriorating now, but improving. So if these indicators were really subject to the will of governments, V. Chernomyrdin could very easily reject Zyuganov's criticism.

Furthermore, in 1994, for the first time since World War II, there has been a favorable balance in migration between Russia and absolutely all of the former USSR republics. This is an obvious sign of how people are assessing the relative living conditions in reformist Russia and the other republics. In 1995, the favorable balance in migration between Russia and its near abroad continued, and in addition the rise in migration further afield almost stopped.

But Zyuganov is way off the mark for another reason too. Here are the indicators of the population growth in the Russian population in the past 35 years: In 1960, an increase of 15.8 per thousand; in 1965, 8.1; in 1970, 5.9, in 1975, 5.9; in 1980, 4.9; in 1985, 5.3; in 1990, 2.2; in 1991, 0.7. That was the situation BEFORE the radical reforms, and you do not have to be a prophet to guess when the waning increase turned into a decrease. In 1992, minus 1.5; in 1993, minus 5.1; in 1994, minus 6.2, and 1995, minus 5.3.

The graph of the population growth looks like the teeth of a saw, and this is particularly clear if you take every year, rather than every five years. It goes up and down. These are demographic waves, the signs of all the wars of the 20th century and even of earlier ones, as well as other demographic disasters like the 1933 famine. But the whole saw has been sloping downward for many decades now, and for chronological reasons alone the reforms cannot be the prime reason for this. Despite all the vacillations, the birth rate has been falling for around 100 years as a result of urbanization, the death rate is increasing, largely for environmental reasons — and these are all long-term phenomena. Furthermore, if you are to blame the authorities directly for continuous demographic processes, you cannot ignore the fact that the most substantial deterioration in the population growth indicators occurred at the beginning of the 1960's, under the absolute power of the CPSU.

NO REPENTANCE

In the FRG there is a law under which a public denial of the historical truth about the crimes of Hitlerism is punishable as a criminal offense in a court of law. This wise law was dictated by the belief that it is only the memory of the people that acts as the main guarantee against a repetition of such crimes. Therefore an attempt to destroy the memory may be viewed as the preparation for further killing.

If we had a similar law in respect of the crimes of Soviet totalitarianism, Gennadiy Zyuganov could be taken to court. In January DER SPIEGEL published an interview with him, and SOVETSKAYA ROSSIYA was reckless enough to reprint the text, which is scarcely intended for the Russian reader. Here is a word for word extract from it:

"[Zyuganov] ...In Brezhnev's times there was a liberal state without repression. Yes, a couple of dissidents were stripped of citizenship — that did happen. Look at the lists of arrested people: Today there are more victims of repression in camps than there were under Stalin."

"[DER SPIEGEL] What do you mean?

"[Zyuganov] In my village two people were arrested at that time, and both were criminals. We should properly study who was in the Gulags and for what reason."

Let us try to make the task of studying what he apparently does not know a little easier for the CPRF leader. Let us leave aside the millions of innocent people condemned without trial under Stalin. They have now been rehabilitated, and consequently their cases have been carefully studied by the prosecutor's office and the state has no questions to ask here. Zyuganov, it turns out, does have a question, he is still planning to study something, and, we must suppose, if he obtains full power he will find some "scientists" who will "study" the way he wants them to. Let us leave that; let us just take the cases which cannot be altered by any "studying."

Let us take a man who is probably personally known to Zyuganov: USSR People's Deputy Nikolay Engver of the 1989 convocation. He went to the camps in his mother's womb after she was arrested when pregnant for being "a member of the family of a traitor." Thousands of women and children who were not knowingly or personally guilty of anything but were branded with that stigma filled up the vast labor camps. Let the CPRF leader study for a while and tell us what Engver, locked up from the day of his birth and there, in the camp, endowed with crutches from childhood for the rest of his life, was guilty of. I will help him with the justification: The administration was humane. His mother made uniforms for the front, and for her good work she was awarded Sunday meetings with her children. In the camps the authorities did not allow children to live with their mothers, so that when they grew up they would not remember their families, who were enemies of the people. Even Hitler probably did not do to the relatives of German communists what Stalin did to the wives and children of Soviet communists and, of course, not only communists.

As for Brezhnev's liberalism.... I raise my eyes from the desk and I see before me on the bookcase a memento from my friend, the excellent writer Boris Chernykh: It is a piece of rusty barbed wire from the Perm 36 Strict-Regime Political Compound. He brought it back from a meeting of former prisoners on the fifth anniversary of the compound's closure. Boris was let out in 1987, and he was rehabilitated in 1990. Almost a quarter of a century of persecution, a sentence of five years' imprisonment plus three years' exile. And it all started because in 1966 All-Union Lenin Communist Youth League [Komsomol] member Chernykh had the naivete to write a letter to the Komsomol congress about how to improve Komsomol work. Toward the end there were around 100 people in the Perm 36 strict-regime zone. There was also the Perm 36 Special-Regime Compound, the Perm 35 Political Compound (there is a museum there now, where Comrade Zyuganov can go and do a bit of studying), and there was Perm 37 — four political compounds in Perm Oblast alone under Brezhnev's "liberal" regime.

The present Cardinal Sarinskas of Lithuania, who was imprisoned for 20 years under Brezhnev, was serving his sentence at the same time as Chernykh. The scientist Mikhail Furasov from Kiev, the Ukrainian poet Mikola Rudenko, and the outstanding writer on social issues Lev Timofeyev were also imprisoned there, and the Ukrainian poet Vasyl Stus died there. Anatoliy Marchenko died in Chistopolskiy camp back in 1987, just before the amnesty. The writer Vladimir Maramzin was given only a conditional five years. But the condition was as follows: If you do not emigrate, you will be imprisoned.

Yes, I nearly forgot to mention why Maramzin was imprisoned. He was guilty of collecting the poems of Joseph Brodsky....

The CPRF leaders and propagandists swear that they are different from the way they were under Stalin and that they will not put innocent people in prison. But Lenin's sound maxims included the following: Anyone who takes a politician at his word is a hopeless fool. Evidence is needed, and only one thing can be reliable: repentance and condemnation of crimes committed in the name of the CPSU. But it is no accident that Zyuganov denies the crimes of Stalinism and Brezhnevism: Even under a microscope you would not be able to find any acknowledgment or condemnation of these crimes in the CPRF Program, but on the other hand justification of Stalinism can be seen without any special difficulty.

The idee fixe of the speakers and men of letters in Zyuganov's party — a subject which generates particular spite — is "defectors." Those who were members of the CPSU but are not with them today are defectors and have "betrayed the oath." You might think that these people lived on another planet with a history only they know. But the party which the 11 million Communists in Russia all joined does not exist any more! The current CPRF is a different party in terms of its policy aims, in terms of its ideology, and in terms of its cadres. It considers the former CPSU leaders to be its worst enemies, starting with the last general secretary. And the draft new CPSU Program, elaborated on the instructions of the last CPSU Congress, generates utter hostility among the Zyuganovists for being "social democratic." Even if you believe its report, the numerical strength of the CPRF is no more than one-twentieth of the former Russian Communists'. On what basis is this trifling minority branding the overwhelming majority?

Those who do not want to be in the CPRF today are portrayed as careerists who fled to the new authorities' side after August 1991. But in fact even this does not tie in with the facts. The majority of people who left the CPSU gave up their party membership cards in 1990, under Communist power, specifically as a sign of protest against the creation of the Communist Party of the RSFSR and the election of the opponents of reform as its leaders (including Zyuganov).

I will never forget the assembly of secretaries of primary party organizations of Moscow's Khoroshevskiy Rayon, where we, the rayon delegation at the constituent congress of the Communist Party of the RSFSR, were given instructions from our party electorate on the eve of the second phase of the congress. We asked the participants in the assembly to express their reaction to possible options for our delegation to act on: first, to go the congress and support the draft program put forward by Polozkov (an open manifesto against reform); second, to go to the congress and condemn this draft; or third, to give up our places and refrain from going to the congress. I remember the result perfectly well: in support of Polozkov — no votes from the 124 present; to go and condemn the draft — 120; and to leave the congress — 4. We went to the congress and acted specifically on the mandate of the electorate together with the entire Moscow delegation. But those who seized the party leadership as a result of bureaucratic intrigues were not embarrassed to call black white. The majority was called the minority, a "small group." PRAVDA echoed them with false reports from the congress hall.

In these notes I have deliberately tried to cite as many of the personal utterances by Zyuganov and the Zyuganovists as possible. But words are just words. Look at the actions. Right after the Duma elections PRAVDA ROSSII published an open letter to A.N. Yakovlev from some anonymous former foreign intelligence people. Without citing any evidence, they accused frontline fighter Aleksandr Yakovlev, former member of the CPSU Central Committee Politburo, of treason, no less. The Russian Main Military Prosecutor's Office asked the editorial office to report the names of the letter's authors so that they could check out the accusation. The chief editor of PRAVDA ROSSII (who at that time was Gennadiy Seleznev) responded in a mocking letter on the pages of the newspaper, saying: First of all institute criminal proceedings against Yakovlev (without having the facts!), then you will find witnesses. And he slipped in a conversation with a certain former KGB colonel who explained that everything was very simple: Yakovlev "betrayed the CPSU" (no CPSU decision on this subject exists, the former KGB member just thinks that it is so — and this is enough for him and for Seleznev) and, under the USSR Constitution, the CPSU was the state party. To betray the Communist Party means to betray the state!

That is the standard of legal ideas of the man who a few days later became chairman of the Russian State Duma. That is your ready-to-use "legal" basis for the future persecution of a good 10 million of our fellow citizens. That is what Russia can expect from the current "communists."

Russia: Benefit From Kadannikov Appointment 'Unlikely'

964F1045A Moscow MOSKOVSKIYE NOVOSTI in Russian No 4, 28 Jan-4 Feb 96 p 19

[Article by Irina Yasina: "Directors Rather Than Whiz Kids"]

[FBIS Translated Text] For the first time since the beginning of the reforms a plant director has been appointed to the post of deputy prime minister in charge of economic issues. From the formal bureaucratic standpoint, Vladimir Kadannikov's appointment is the second precedent of a fast career track that bypasses the traditional hierarchy.

The first was Yeltsin's appointment of Gaydar's "whiz kids" to positions of responsibility in the government in November 1991. It is hard to guess what to expect of Kadannikov currently. This man, as befits a plant director, has not been noted for his adherence to any particular economic ideology. In all probability, V. Kadannikov does not have his own economic program, and therefore his development will be dictated by circumstances and his entourage, which are exceptionally contradictory. On the one hand, the desire to be different from one's predecessor "for the better" and a plant director's experience may lead Vladimir Kadannikov onto the road of experimenting with unconditional support of domestic industry, Sergey Glazyev-style. On the other hand, a confrontation, or perhaps even a conflict, can be expected between Kadannikov and Soskovets. Soskovets has rushed to move to the extreme left flank of the government's economic bloc, having declared a correction to the course of reforms and aiming to thoroughly weed out the tentative shoots of economic liberalism to make them better suited to Russian soil. In this case, the natural position Kadannikov may take is that of defending the achievements of economic reforms.

It is possible that although forecasts are currently made for no more than five months, Kadannikov has a chance at longevity in the government. Much like Viktor Chernomyrdin, who is his time appeared an absolutely foreign body in Gaydar's team. It may work for Kadannikov that, on the one hand, he was appointed by the president, but on the other—he is not a member of the presidential team.

However, supporters of radical economic reforms have the least reason to rejoice. We should remember which plant director has now taken the post of "reform chief."

The market economy descended on the VAZ [Volga Auto Works] in the form of fierce competition from foreign manufacturers. Alas, the plant's response was not in the form of new cars. Over the entire period of reforms the plant has not introduced a single new model, while successfully lobbying the top echelons on the subject of raising import duties on foreign cars. While GAZ [Gorky Auto Works], on the other hand, has begun selling the Gazelle, which has made a profitable niche for itself in the market. Thus there is reason for concern that the tested methods of naked lobbying and sluggishness can be extended to other economic sectors.

It is unlikely that Kadannikov's appointment to the post once held by Anatoliy Chubays will improve in any way the fast-deteriorating investment climate in Russia. The first signal after the communist victory in the Duma elections was the refusal of the Italian concern STET to invest money in the AO [joint-stock company] Svyazinvest. This contract was expected to boost the development of Russian telecommunications in the regions. In addition to this, in the event of the successful signing of the contract, Svyazinvest could become a solid example of the benefits of privatization for the budget. On top of this, representatives of one of the world's largest investment companies said in a private conversation that the planned accelerated floating of Russian Government securities on the European market will be postponed for at least a year.

This did not improve the mood in financial markets. Political shifts came on top of the destructive consequences of the banking crisis and the collapse of the corporate securities market. Of all the financial markets, the only one currently functioning normally is the GKO [short-term government bonds] market, in which, by some estimates, banks keep up to 80 percent of their assets. Fearing at the same time that the new people at the economic helm may fall for the temptation of some or other confiscatory measure. Nobody in his right mind would currently buy GKO's that mature after June.

Negotiations with the IMF are currently underway. The discussion there revolves around the Russian Government's policy, against which international financial organizations were to issue new loans to Russia. However, the Russian side is trying hard to avoid any reminders that the president has signed an edict directing the investment of R30 billion and $1 billion into rebuilding Chechnya.

In principle, there are only two potential sources for such financing, besides illusory foreign credits. Monetary emission—which will fuel inflation, or expropriation of industry's income through broad renationalization (see the CPRF [Communist Party of the Russian Federation] program). It is the new first deputy prime minister's attitude to implementation of the president's election period ideas that will become the litmus test of his real intentions. If, with Kadannikov's participation, the idea of a nonemission budget gets axed, Russia will be thrown back in its economic development—to several years before the beginning of 1995, when this idea was for the first time reflected in the law on the budget.

Media Issues

Russia: Medvedev Reacts to NTV's Freedom-of-Press Criticism

LD1402000796 Moscow INTERFAX in English 2259 GMT 13 Feb 96

[FBIS Transcribed Text] Moscow, Feb 13 (INTERFAX) — Russian presidential press secretary Sergey Medvedev believes that the fact that the Independent Television company NTV was not allowed to cover a protocol event in the Kremlin on February 12 does not give the company a right "to make global statements" on infringement on freedom of reporting in Russia.

Medvedev said in the Podrobnosti (Details) TV program that certain TV companies may attend some events and other companies other events. He could not recall any special instructions given to the security service on that day about the NTV team.

"We will cooperate with the media by the book and in the way necessary to us," Medvedev emphasized.

In response to the NTV anchor, he said that he does "not have to talk it out with NTV. If they want this they could give me a ring, but they have not done so thus far."

Medvedev said that he will hold a briefing Wednesday to which NTV correspondents will be invited, among others.

Medvedev responded to the NTV criticism of himself by saying that as the president's press secretary he will protect the interests of the president.

Russia: NTV Official Calls Ban 'Unbelievable Foolishness'

LD1302142196 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1130 GMT 13 Feb 96

[FBIS Translated Text] "I think that the main reason for the ban on NTV's access to the Kremlin is that so far, our information service is the only non-state information service and it is not to the liking of many Kremlin officials, in the first place, those who are responsible for providing propaganda information," Oleg Dobrodeyev, head of the NTV television company information service, said in an interview with Ekho Moskvy radio station, commenting on the instructions by Sergey Medvedev, press secretary of the president of the Russian Federation, on blocking access to the Kremlin for NTV.

"In my view that is unbelievable foolishness with very serious political consequences," O.Dobrodeyev thinks. "The problem is that today, information politics in the Kremlin are determined by second-rate students because, on the eve of the presidential elections and of the president's trip to Yekaterinburg, a bigger present to the opposition forces simply couldn't have been thought up".

Military Issues

Russia: Adoption of Military Service Statute Urged

MM1302152596 Moscow KRASNAYA ZVEZDA in Russian 10 Feb 96 pp 1, 3

[Article by Oleg Getmanenko: "Will the Contract Become a Weighty Document? It Is Impossible To Answer These and Other Questions Until the 'Statute on the Performance of Military Service' Has Been Adopted"]

[FBIS Translated Text] The period of internal structuring is over in the State Duma, and deputies are embarking on daily lawmaking. They will also have to investigate the backlog inherited from the previous Duma. This includes a whole series of laws and normative acts whose adoption is awaited with particular impatience in the Armed Forces.

The fate of the "Statute on the Performance of Military Service" probably merits special attention. Back in 1993 this document of 56 typewritten pages could have been a juridical best-seller. Indeed, the statute is a normative act which, in terms of its significance, stands out among the already adopted decrees, orders, and directives. It governs literally every step in the official career of the person in uniform.

It would be more accurate to say "should govern it". An unenviable, woeful fate has befallen the new version of the statute — the last one saw the light of day 10 years ago. It has been in draft form since the spring of 1993 but has not yet been submitted for examination by legislators.

It somehow managed to hit the legal "off-season" — which was evidently why the Ministry of Defense never received the appropriate instruction from the government, which was supposed to examine the draft statute before 15 March 1993 and submit it to the Defense and Security Committee of the then Supreme Soviet. In the situation which had taken shape, however, people were not in the mood for officials' elaborate bowing and scrapings with their reference numbers and the life-asserting stamp "for verification." The Armed Forces were switching to contract service and were literally suffocating without legal regulation of qualitatively new organizational, cadre processes. The military department took the initiative and sent the draft statute prepared in the Personnel and Military Education Main Directorate to the chairman of the government.

The document got lost in the offices of the executive. In the fall of 1993, after the dissolution of the Supreme Soviet, all mentions of the legislative organ which had been consigned to history were expunged from the guaranteeing part of the decree accompanying the law "On Military Service Obligation and Military Service." Along with the deadline and the procedure for adopting the Statute on the Performance of Military Service. It turned out that the normative act, references to which abound in the basic laws of the "military package" — "On the Status of Servicemen" and "On Military Service Obligation and Military Service" — apparently had no special rights to exist.

It should be pointed out that the draft statute was written, in advance, to be a new version of the law "On Military Service Obligation and Military Service" in the hope that changes, the obvious need for which aroused no doubts at the Ministry of Defense and the other power ministries, would be made by the legislators in the very near future.

It was proposed, for example, to abandon the "alphabet" — the "a," "b," and "c" contracts — and go over to a single form of concluding the contract, to reduce to a common denominator the age at which men and women may conclude a contract, to amend the procedure for extending military service, etc. But, for the very same reasons, the corrections dictated by life were not approved by the legislators. Only in 1995 did the State Duma give a first reading to another version of the draft law on making changes and additions to the Russian Federation Law "On Military Service Obligation and Military Service" drawn up by the Russian Federation president's State Legal Administration, but the members of the Duma of the fifth convocation advanced no further than that.

The Ministry of Defense has now made an attempt to enter the inhospitable legal field from the other side — it is proposed to approve the new draft, which has been drawn up to accompany the present version of the law "On Military Service Obligation and Military Service," as a temporary statute by means of a Russian Federation presidential edict.

Let us recall that the general military regulations made similar progress. But for this it was necessary to make changes to the law "On Defense" and endow the president with this power. These changes passed through all three readings in the old State Duma but were turned down by the senators.

Servicemen are having to pay for this entire three-year delay, for which there is no reasonable explanation. In the absence of a mechanism for implementing them, many provisions of the laws in the "military package" do not function or function only partially.

The procedure for granting additional rest days and other components of the right to rest have not been fully settled, for example. Cadre workers and commanders are constantly encountering a lot of moot points connected with the conclusion of contracts and discharge from military service. Servicemen on two-year contracts have become a real headache. The situation is exacerbated by the fact that there are variant readings of the laws "On the Status of Servicemen" and "On Military Service Obligation and Military Service" — which makes the interpretation of seemingly unequivocal provisions a subject of juridical debate.

In order at least somehow to fill the lawmaking vacuum, the Ministry of Defense is adopting orders and directives which partially and temporarily cover this disputed territory. But the Armed Forces do, indeed, need a system document, not a patchwork quilt cut from subordinate normative acts. Given the present state of affairs, when you have to have the knowledge and assiduity of an archivist to get through to the truth, the threat of arbitrariness on the part of chiefs persists. There is no denying that, when there is no single document integrating information that is scattered among dozens of normative acts, it is simpler to deny subordinates their lawful rights and privileges.

There are no particular doubts about the fact that the draft statute which has been prepared represents just such a collection of normative acts. It is sufficient to take a look, for example, at the chapter devoted to the procedure for concluding contracts. It stipulates literally everything. Provision is even made for a "three-way" contract — for students of military educational institutions of the Ministry of Defense which train specialists for other ministries. It will be signed in the second year by the chief of the educational institution and a representative of the interested department, as well as by the student himself. It has to be thought that such a three-way agreement will help to reduce the wave of "refuseniks," who base their reluctance to continue service on the fact that they did not give pledges to the Federal Government Communications and Information Agency, let us assume.

The draft statute includes all the rights of servicewomen granted by legislation at the present time, including those granted by legislation on mother and child protection.

Another innovation concerns the granting of vacation leave. External cadets or students who have passed all their exams are granted early leave at the discretion of the chief of the educational institution. The sole restriction is that the total duration of the summer and winter vacation leave must not exceed 60 days.

The statute could eliminate many questions affecting Russian citizens serving in the near abroad. For the mechanism of their transfer to a new place of service is not yet prescribed anywhere, and other considerations have also not been set out in detail.

Experts point to another argument in favor of the speediest examination and approval of this document. In their opinion, the "Statute on the Performance of Military Service" is precisely the normative basis which, if adopted, would dictate the same "rules of play" for all ministries and departments which have military formations.

The lack of a statute is holding up the emergence of a lot of other normative acts. Such as, for example, a handbook on the work of cadre organs and a government decree which is to specify localities where additional privileges are granted.

And yet, what fate awaits the "Statute on the Performance of Military Service," the possible adoption of which is closely linked with changes to be made to the laws of the "military package"? For political experts the immediate future of this draft will be a trial balloon enabling them to determine whether or not the majestic metal in the ruling elite's programmatic assurances will take on a falsetto timbre.

In any case, the whole three-year business provides servicemen with sad food for thought. Indeed, there really is something to ponder when laws and normative acts which lay the foundations of defense capability are made to sprint a marathon distance, instead of being examined. I would like to hope that deputies will also be imbued with this mood.

Federal Assembly

Russia: Garment Company Urges Yeltsin To Run Again

MM1402101796 Moscow ROSSIYSKIYE VESTI in Russian 14 Feb 96 p 1

[Unattributed report: "'Mosshveya': Supportive Messages"]

[FBIS Translated Text] The "Mosshveya" Joint-Stock Company collective has sent a cable to Russian Federation President Boris Yeltsin signed by Director Nikolay Nemirovchenko and Trade Union Committee Chairman Galina Galakhova. The cable asks Boris Nikolayevich to agree to run in the upcoming Russian presidential elections this summer.

In response Boris Yeltsin sent a letter of thanks, in which he assessed the collective's request as support for his policy of strengthening the Russian state and continuing reforms.

"Our factory is currently experiencing hard times," Director N. Nemirovchenko said. "Nevertheless we realize that these difficulties are temporary and that economic reform is essential. Only President Yeltsin can ensure the successful completion of all the beneficial transformations in the country."

A conference will be held at the factory 15 February to adopt a collective contract. Sewing industry workers will adopt an official resolution there showing their support for the incumbent president in the upcoming elections.

Russia: Duma Subcommittee To Adjust 1996 Budget Law

MK1302125796 Moscow SEGODNYA in Russian 13 Feb 96 p 2

[Report by Svetlana Lolayeva: "The Duma Thinks That the Budget Law Needs To Be Adjusted. Otherwise, Russia's Financial System Can Be Jeopardized by an Arbitrary Indexation of Wages"]

[FBIS Translated Text] Oksana Dmitriyeva, chairperson of the Budget Subcommittee of the [State Duma] Committee for the Budget, Taxes, Banks, and Finances, speaking to your SEGODNYA correspondent, surmised that a quarterly breakdown of the 1996 budget, the federal investment program, and federal targeted programs for 1996 will be submitted to the State Duma late this week. According to the law, these documents are to reach the lower house before 10 February (within one month after a law on the federal budget is signed), but at the government meeting in Friday [9 February] their developers were given additionally two or three days to finalize them.

These draft laws will be submitted for consideration to the Duma some 6 to 8 weeks later, because, according to Ms. Dmitriyeva, much work should be done on them. One of the most serious problems to be solved while considering the quarterly breakdown of the budget is arrears of wages for 1995. Their redemption has not been envisioned in the 1996 budget. Oksana Dmitriyeva expressed her doubts with respect to the recent statement by Labor Minister Gennadiy Melikyan, who said that the federal budget accounts for only 500 billion out of the 13 trillion rubles owed for wages. In her words, the budget owes 250 million rubles to the Russian Academy of Sciences alone, and the funding of expenditures for education has been as low as 79 percent. The situation with the funding of many other budgetary items is similar.

In Ms. Dmitriyeva's opinion, the budget needs to be adjusted in view of the fact that the Duma has passed the law on indexing the minimum wage beginning from 1 February. It is obvious that once-a-year indexing after 1 April, the funds for which are included in the budget, will be insufficient. The Budget Subcommittee head is sure that, unless the budget is adjusted on the basis of an indexation schedule specifying dates and amounts, the practice of "spontaneous throw-ins" of minimum wage indexation laws unbacked by funds in the budget will continue.

Another serious problem to be solved when considering the quarterly breakdown is a quarterly redistribution of the funds allocated for the investment program so as to avoid timing the bulk of the spending for the latter half of the year. As the experience of the past two years has shown, this leads to the underfunding of investment programs and "outrageous" delays in the construction of budget-funded facilities. The head of the Budget Subcommittee regards the postponement of the redemption of budget's credit indebtedness under investments (2 trillion rubles) till the second quarter as incorrect. In Ms. Dmitriyeva's opinion, this should be done in the first quarter.

Oksana Dmitriyeva believes that the need to review the budget right now is obvious in view of the reduction in the revenues, caused by both laws passed by the Duma (incidentally, a law envisioning value-added tax privileges in housing construction is to be passed in the near future, which will curtail budget revenues by 10 trillion rubles) and presidential edicts (such as the edict on the restructuring of debts of enterprises to the budget and the edict on a reduction in oil and gas export duties).

Russia: Duma Fails To Pass Law on Human Rights Commissioner

LD1402112296 Moscow ITAR-TASS in English 1112 GMT 14 Feb 96

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW February 14 (ITAR-TASS) — The Russian State Duma failed to pass the lawbill on Human Rights Commissioner lacking over 80 votes for its approval on Wednesday.

Only 217 lawmakers backed the document, seven were against and one abstained, while at least 300 votes were necessary for the approval of the constitutional law.

Russia: Duma Insists on Allowing MP's To Carry Firearms

LD1402110196 Moscow ITAR-TASS in English 1042 GMT 14 Feb 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, February 14 (ITAR-TASS) — After an attempt on the life of State Duma member Aleksandr Vengerovskiy, deputy of ultra-nationalist Vladimir Zhirinovskiy, some MPs insist that a bill should be adopted allowing them to hold firearms.

The motion, brought forward by Yuriy Kuznetsov, another colleague of Zhirinovskiy, was put to the vote. However, most Duma members did not back the proposal.

At the same time, the law-makers decided to re-consider the problem at a plenary session on February 16 when they are scheduled to look into an arms bill.

In 1995, chief of the Liberal Democratic party (LDPR) Zhirinovskiy brought forward several similar motions. As a rule, they came after attempts were made on the lives of his party members.

Duma speaker Vladimir Seleznev, who spoke to Vengerovskiy by phone on Tuesday, said that he had undergone surgery on the wounded knee junction and felt well.

The former State Duma "lost four of its members who were killed by bandits," Seleznev said. Interior Minister Anatoliy Kulikov assured him that an investigation was underway in the case.

"We have heard many promises, but we would like the whole country and the authorities to know that MPs are the most vulnerable," Seleznev stressed.

Russia: TV Program Reviews Duma Activities

LD1302141896 Moscow Russian Television Network in Russian 2330 GMT 11 February 96

[FBIS Summary] A 45-minute program entitled "With the Duma — About Russia" was shown after scheduled programming had ended for the day. Presenter Lyubo Vatutina introduced the program — a roundup of the past week's activities in the State Duma — as a "Parliamentary Television" program. It included brief extracts of speeches in the chamber by deputies including Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, and Vladimir Zhirinovskiy, leader of the Liberal Democratic Party of Russia, and a series of interviews on topical issues with chairmen of State Duma committees: Sergey Kalashnikov of the Labor and Welfare Committee; Lev Rokhlin of the Defense Committee; Viktor Ilyukhin of the Security Committee; Alevtina Aparina, of the Women, Family, and Youth Affairs Committee; Dmitriy Krasnikov of the Duma Work Organization Committee; and Gennadiy Seleznev, Duma chairman.

The following summarizes the program contents:

1. Vatutina introduced the program. Over dramatic music, the program credits consisted of a collage of images: a housing estate under construction, a ballistic missile being fired, a combine-harvester, the facade of the State Duma building, a derelict church being restored, deputies in session.

Vatutina said: "Hello. Parliamentary Television's 'With the Duma — About Russia" program is on the air. Recent events in the country — the miners' strike, the teachers' strike, the chronic failure of the state to meet its obligations to pay wages to the state sector and its failure to allocate even the crumbs specified by law to develop science, culture and education — all of this stimulated the legislative work of the Duma this week.

"The law on indexing the minimum pension and the minimum wage by 20 percent was passed immediately in its second and third reading. True, the parallel adoption by the president of the decree on compensatory payments to pensioners puts in question the implementation of the Duma's decision. The deputies took a determined stance on the law on the living wage which was passed by the previous Duma. The president, of course, did not sign the law and the Federation Council sent it back for further work. And so in a country where tens of millions of people live below the poverty line, the line itself has not been set by the legislators and the potential for the arbitrary rule of the bureaucrats over those who need social protection more than anyone else is endless.

"The social aspect dominated the speeches of the leaders of all the factions and groups last week as they set out their visions of the legislative work of the State Duma."

2. In extracts from State Duma speeches, Zyuganov talked of the misery he saw all over Russia during his election campaign; Zhirinovskiy called for the government to be completely replaced in order for any new legislation to be passed; Belyayev attacked the record of the last Duma and appeals for greater cooperation with the government.

3. Members of the government were called to the Duma last week to answer deputies' questions. These included Deputy Finance Minister Molchanov and Deputy Prime Minister Zaveryukha who was asked about the disastrous state of Russian agriculture. Video showed both speakers being interrogated by deputies.

4. Interview with chairman of the Duma Labor and Welfare Committee Sergey Kalshnikov: Kalashnikov said poverty is one of Russia's most pressing problems and stressed the need to establish a living wage.

5. Vatutin noted that money which could be spent on welfare is being spent instead on "the war in Chechnya by the prime minister and the government."

6. Igor Larionov, a "financial expert", described how up to 75 percent of the profit made from the sale of the average product today goes into the pockets of "speculators". Larionov said inflation is a deliberate policy of "shadowy structures" to make money. He called on Russia to reject the IMF loan of $9 billion — "a pittance by Russian standards" — as it would open Russia up to rampant exploitation. He called for a radical new economic policy, including a "positive cash emission."

7. Further highlights of the week at the State Duma: News conference by the Agrarian Party of Russia and the Duma Subcommittee on Banking.

8. Zhirinovskiy, at a news conference on 9 February, alleged that Nizhniy Novgorod governor Boris Nemtsov hired a mafia assassin to kill him at a Moscow rally two years ago. The hitman, he said, changed his mind after seeing his intended target at a rally in Nizhniy Novgorod.

9. Vatutin conducted an interview in the studio with State Duma deputy General Lev Rokhlin on START II and NATO expansion. Video began with archive footage of Russian armed forces, then showed the interview with Rokhlin.

10. State Duma Security Committee chairman Ilyukhin commented on the flight of capital from Russia and other crime.

11. Alevtina Aparina, chairman of the Duma Committee on Women, Family and Youth commented on the urgent need for better welfare provision.

12. Interview with Gennadiy Benov, head of the Duma Provisional Secretariat, and Dmitriy Krasnikov, chairman of the Duma Regulation Committee, who comment on the rules governing the composition of the new chamber's factions..

13. Interview with Duma chairman Gennadiy Seleznev on support for the mass media. Seleznev called for increased state funding.

14. Report on Seleznev's courtesy meetings with foreign politicians last week. Video showed Japanese, Swiss, Danish, Iranian officials meeting with Seleznev.

15. Vatutina signed off "until next week."

Russia: Transcaucasus Forces' Funding 'Catastrophic'

MM1402123596 Moscow KRASNAYA ZVEZDA in Russian 14 Feb 96 p 3

[Report by Vitaliy Denisov: "How To Get out of Debt? A Very Relevant Question for the Group of Russian Forces in the Transcaucasus"]

[FBIS Translated Text] The funding situation in the GRVZ [Group of Russian Forces in the Transcaucasus] in the past two months can definitely be described as catastrophic. Between 28 November last year and 5 January this year the accounts of the group of forces did not receive a single ruble. The subsequent transfer of 11.5 billion rubles [R] did not make the problem any less acute, since the minimum requirement for December was R37.5 billion. As a result servicemen and their families in the mountain garrisons of Gyumri and Akhadkalaki were left with practically no means of existence.

The group did pin some hopes on the presidential edict on putting the financing of budget sphere in order. But it was not to be. On 2 February — the very day when the two-week period allowed by the president for the solution of the nonpayments problem — the GRVZ financial service received only R1.18 billion, which is clearly not enough to plug the holes in the group's budget. For that reason it was not until the beginning of February 1996 that the money that was owed in terms of pay and allowances was paid in a number of military units and institutions, and workers on military sovkhozes are now into their fourth month of waiting.

Nonetheless, there is still hope that the money will come sooner or later. But this applies primarily to pay and allowances. But what about money for other costs? According to Colonel Viktor Korytov, chief of the group of forces financial service, the GRVZ is unable to pay outstanding municipal services bills (of the order of R6.5 billion) and it owes around R500 million in communications channels rental. These are things Russian bases in the Transcaucasus cannot survive without. And of you add to that unpaid food delivery bills totaling more than R1 billion, you get an utterly depressing picture.

Russia: Legislative, Regulatory Documents 4-10 Feb

96P50048

[FBIS Report] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parentheses indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

RF Government 25 November Decree No. 1157 On Additional Measures To Develop RF's Precious Metals And Precious Stones Markets. (Moscow ROSSIYSKAYA GAZETA in Russian IO Feb 96 p 22) (1700) (Text)

Government 26 December Decree No. 1274 Approving Appended Federal Targeted Program For the Conversion Of Defense Industry In 1995-1997. (Moscow ROSSIYSKAYA GAZETA in Russian IO Feb 96 pp 14-15) (400/23000) (Text)

RF Government 8 January Decree No. 3 On Setting In Order Use Of Special Signalization And Registration Plates In Motor Transport. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 21) (2000)

RF Government 27 January Decree No. 64 On Approving And Submitting For Ratification Agreement On Exemption From Customs Duties Of Samples, Etc. Relating To Metrological Standards In Transit. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 21) (300)

Yeltsin 29 January Edict No. 112 On Federal Targeted Program For Development Of Russia's Civil Aviation Hardware Through Year 2000. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 15) (150) (Text)

RF Government 31 January Decree On Partial Changes To Rates Of Import Duties Confirmed By Decree Of 6 May 1995. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 21) (350)

Yeltsin 31 January Edict No. 126 On Measures To Set To Rights Work With Russian Federation's Foreign And Domestic Currency Debt. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 15) (450) (Text) RF Government 2 February Decree No. 89 On Urgent Measures To Develop Chechnya's Oil And Gas Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 21) (1700) (Text)

RF Government 2 February Directive No. 134 On Approving Draft Agreement On Mutual Relations Between RF Government And RF Tsentrosoyuz In 1996 With Appended Draft Agreement. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 22) (80/100)

RF 3 February Federal Law No. 17-fz On Changes And Additions To RSFSR Law On Banks And Banking In RSFSR. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 pp 9-10) (7500) (Text)

Chernomyrdin 5 February Directive No. 141 Ordering Organs Of Executive Power To Carry Out Immediate Check To Establish Reasons For Wage Payment Delays. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Feb 96 p 2) (200) (Text)

Chernomyrdin 6 February Directive No. 144 Setting Schedule For Finance Ministry's Transfers Of Funds To Various Sectors For Wage Payment, Plus Appendix Setting Out Schedule. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Feb 96 p 2) (200) (Text) Plus Table.

Yeltsin 7 February Edict No. 161 On Strengthening State Controls On Circulation Of Foreign-Produced Liquor And Tobacco Products. (Moscow ROSSIYSKAYA GAZETA in Russian 9 Feb 96 p 2) (850) (Text)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

RF Civil Code (Second Part) Articles 943 Thru 1109. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 pp 5-9) (26000)

Chernomyrdin-Signed 4 December RF Government Directive No. 1667 On Support For Proposal From Samara Oblast Administration Et Al Ref German Loan To Finance Construction Of Samara Complex For Refining Sunflower Seed Oil, Citing Attendant Conditions. (Moscow ROSSIYSKAYA GAZETA in Russian 8 Feb 96 p 1) (350)

Part Two Of Russian Federation Civil Code, Adopted by State Duma 22 December. (Moscow ROSSIYSKAYA GAZETA in Russian 6 Feb 96 pp 3-6) (22000)

Yeltsin-Signed 26 January Federal Law No. 15 On Entry Into Effect Of Part Two Of Russian Federation Civil Code (As Of 1 March 1996). (Moscow ROSSIYSKAYA GAZETA in Russian 6 Feb 96 p 3) (1600)

Yeltsin 31 January Edict No. 131 On Changes To Earlier Yeltsin Edict (No. 590 Of 14 June 1995) Relating To Interdepartmental Coordination Committee For RF Military Hardware Policy. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 15) (200) (Text)

Yeltsin 6 February Edict No. 157 On Changes To The Composition Of The RF Security Council. (Moscow ROSSIYSKAYA GAZETA in Russian 10 Feb 96 p 15) (200) (Text)

Regional Affairs

Russia: Kaliningrad Oblast Leader Interviewed

WS1302142496 Kaliningrad KALININGRADSKAYA PRAVDA in Russian 24 Jan 96 p 2

[Interview with Kaliningrad Oblast Administration Head Yuriy Matochkin by N. Borovskaya; place and date not given: "Errors in Reforms Cost Dearly"]

[FBIS Translated Text] ***The following conversation with Yuriy Matochkin was held virtually on the eve of his departure for Moscow, where he was to sign an agreement on dividing powers and responsibilities between the state authorities of Russia and Kaliningrad Oblast. Since then, there has been enough time only to decode the recording of our talk, and many events have already accumulated. The agreement has been signed. The president has additionally signed the Law "On the Special Economic Zone in Kaliningrad Oblast." Vladimir Shumeyko has ceased to be the "Baltic deputy." The issue of holding elections for governor and to the Oblast Duma has become particularly acute. Nonetheless, we left this interview in the form in which it was held because the Oblast Administration head's position was presented quite precisely in it, and has not been affected by circumstances.***

[Borovskaya] One cannot but notice that the local authorities have began to snatch the "leader's shirt" from each other's hands at the last stages of the process of adopting the law on the special economic zone in our oblast.

[Matochkin] I once said that we would be glorious after a victory. History and time will put everybody in their places. Although I would not like to degrade myself to current squabbles over this matter, I have the impression that it would become handy for some deputies if, presumably, the Federation Council did not pass this law. There would be somebody to be blamed then.

[Borovskaya] Apparently, not all the anxiety connected with the law is over yet. How far are you ready to go if you have to argue with the central authorities over our privileges?

[Matochkin] I am ready to go to the end. We have always presented a fundamental position with regards to establishing preferential regulations for customs and taxes in the oblast. We have been fighting for this with varying success since 1991, and will fight to the end. If nothing is done to make these regulations work in the region, we will have to go for confrontation with the central authorities.

[Borovskaya] How do you assess the results of the elections to the Sixth State Duma? Did they disappoint you?

[Matochkin] No. What I saw in them was primarily that we have already established democracy in our country, no matter what is said about this and by whom. Before, 99.9 percent of people voted for a bloc of communist and nonpartisan candidates, and currently everybody votes in their own way. People are no longer in deadly fear of authorities, as was the case quite recently.

On the other hand, the electorate voted against errors committed in the process of economic reforms and decline in living standards. The first half of 1995 passed under the banner of strict financial policy. Despite the fact that the correlation between the average income and the subsistence level has increased and reached 145 percent since July, compared with 105 percent in the first six months of last year, average incomes are currently lower than in 1994. In the future, everything will continue to depend on financial policy. Our society has proven to be split into three categories. The first category supports market reforms. The second one categorically opposes them. And the third category waits and behaves according to the situation.

[Borovskaya] I have recently heard that data from the Oblast Statistics Directorate shows that the number of people living below the poverty line in our oblast has dropped by 177,000, that is by one third, since the beginning of last year. Does it mean that these people have managed to adapt themselves to the new conditions and improved their material situation?

[Matochkin] There are two reasons behind this. On the one hand, budget expenditures for targeted social assistance dramatically increased in the oblast last year. While prices increased two-fold during the year, social payments rose 10-fold. To a considerable degree, we managed to forestall price hikes. On the other hand, the industry started operating little by little, and wages began to grow. The average wage is currently 450,000 rubles [R] in our oblast. In the second half of the year, wages increased 2.3 times as much as prices.

The situation in the production sector slightly improved last year. However, two branches — the light and machine building industries — did not come out of the crisis. Although the papermaking and fishing industries have stabilized the situation, they still have many problems. Nevertheless, budget revenues from the tax on profit increased 2.5-fold compared with the previous year. This indicates that industrial companies have begun operating, though not all of them.

In general, our main task in 1996 will be to monitor social processes. The issue of payments for housing and communal services is currently becoming very important. To a certain degree, we have increased them too much. This particularly relates to the oblast center, though the mayor has not violated the law. Last year, we decided that people should pay for 40 percent of the expenditures for the housing and communal sector, while previously they had paid 15 percent of them. This year the population will pay for up to 60 percent of them. However, we have decided to stop at 50 percent. We will not increase payments for communal services at all until the end of the current heating season. We will increase them in the fall, but not as much as the government is recommending. Because energy sources and coal are becoming more expensive, we will have to make this decision, whether we want it or not. We are thus applying the following pattern: If rent accounts for over 15 percent of a family's income, the family has a right to housing subsidies. This year, for the first time, we have envisioned approximately R100 billion for housing subsidies in the budget.

There is also a concept of purposefully forming a middle class (we want to push it through the Oblast Duma in the form of a law). The goal is to take away from the rich, who account for some 10 percent of the population, and to help the 20 percent of the poorest. A vast range of issues arises in this regard. One of them is housing. We have not reduced the pace of housing construction for the past few years. We maintained the 1990 level and commissioned around 300,000 square meters every year. However, different approaches toward the distribution of houses are currently needed. We are trying to develop them. Necessity urges us to have a system of selling apartments against mortgages and create registers of mortgages. Several companies are already prepared to cooperate with us with regard to mortgages. There is the following pattern: A house is built, and a certain amount of money is paid. We ourselves will pay it for employees of the budget sector — doctors and teachers. Then they conclude an agreement with a company, according to which these apartments act as security until the entire sum is paid off in the course of approximately 10 years. One must understand, however, that the fulfillment of social programs will depend on budget revenues, which, in turn, depend on the results in industry, transport, and the agricultural sector.

[Borovskaya] Apparently, the agricultural sector is not contributing to the budget as much as it is demanding from it.

[Matochkin] The countryside is a topic for a separate conversation. One should not approach it unequivocally. There is currently no unified policy toward the agroindustrial complex. Currently, everything has been let drift. The countryside has been put on the course toward a market economy, but it is ready for this less than any other branch. This should have been taken into account, because otherwise any attempts to resolve the agricultural sector's problems at the regional level have no effect. On the other hand, it should also be taken into account that different people work in the countryside. Some people think that we should give them something, while others work. We do not refuse to help the countryside. However, indiscriminate assistance for everyone will produce nothing but a loss of money. Although private farms and farmers are already producing half the meat and milk in the oblast, we are dividing money mainly among kolkhozes and sovkhozes.

[Borovskaya] Is anybody analyzing to what extent these enormous investments in the agricultural sector are vindicating themselves? After all, they "suck out" a hefty portion of the budget.

[Matochkin] The expenditures for agriculture are decreasing. They are currently amounting to some 5 percent of the total volume of budget expenditures in the oblast, and previously this figure was 11 percent. Everybody understands that new approaches are needed. However, our woe is that the agricultural sector is run by people who grew up in the old system. They see the agricultural sector as all limited partnerships and shareholding companies, that is, former kolkhozes and sovkhozes. But the agricultural sector is currently the aggregate of three equal components — former kolkhozes and sovkhozes (their significance is great because of the value of their capital stocks, land, human resources, but not because of their efficiency), private auxiliary farms which are currently yielding a significant part of products, and private farms which are currently yielding 5 percent of products.

However, they are constantly increasing the volume of production and are operating efficiently. This is how one should understand the countryside. This year we are to take additional measures for reforming it and providing assistance to farms which are operating efficiently. However, one should not leave weak farms alone either — sowing must be carried out this spring anyway.

Our critics said, particularly during the election campaign, that they knew how to reform the countryside efficiently and with insignificant losses. I want to tell them the following thing through your newspaper: reveal this option; do not conceal it. But there is nothing but criticism. However, I am convinced that such an option does not exist at all. I do not think any dramatic changes will take place in the agricultural sector this year. These changes will consist only in the fact that people from the countryside will become more aware that there is a need to work in new conditions. Such people are already appearing there. There are reserves as well. For example, I can see reserves in the land improvement branch, which constantly demands money. Of course, we must support it. On the other hand, however, it should search for its place in the market economy itself. We say that there are no tractors. It is hard to buy them. But land improvement organizations have a powerful motor vehicle fleet. So, land improvers: cultivate land and receive money for this. Build roads. You must become accustomed to the fact that nobody will pay you for nothing. I think that people from the countryside are beginning to understand this. In my opinion, one of the reasons behind the Agrarian Party's defeat in the elections was the fact that to a certain degree it offered a program for returning to the past.

[Borovskaya] What would you say about the poor performance of the NDR [Russia Is Our Home] in the elections and Chernomyrdin's quite clear threat to "settle accounts" with executive branch leaders from regions in which support for his movement was weak? Will this threat not concern our oblast?

[Matochkin] I think that the election results in our region were similar to the average results in Russia, or perhaps slightly poorer. We anticipated 10 percent anyway, and not more. The NDR could have achieved 15 percent in our oblast, but Viktor Stepanovich should have kept his promises and repaid debts for servicemen from the federal budget. This would have made it possible for them to pay for gas, electricity, and foodstuffs. Because this was not done, I think that it was good that even 10 percent of voters supported the NDR. The majority of people support reforms, but they should be efficient and for people. On the other hand, no matter who comes to the government in the next few years, he will become hostage to objective economic processes anyway. They can be slowed down, but not accelerated. It is easy to slow them down: It is enough to introduce directive management, intensify state regulation, institute control over prices, and everything will return to what we have abandoned. Yet, this will currently prove to be much worse than it was during the period 1990-91 because there are fewer domestic resources. This means that there will again be coupons for meat, milk, bread, butter, and everything else.

[Borovskaya] People did not vote for this. They want good things to remain and bad ones to disappear. Ideally, prices should remain at the previous level, and wages and a variety of products at the current level.

[Matochkin] This does not happen, however.

[Borovskaya] Have you already made up your mind with regard to the elections for governor? When is it possible to hold them? As far as I know, the presidential structures do not quite approve of holding the elections for administration heads and the presidential election at the same time.

[Matochkin] In general, I support holding the elections for governor at the same time as presidential ones. We are going to celebrate the oblast's 50th anniversary in March. We will have no time to think about elections. I have recently requested that the president and the chief of his administration for territorial issues allow us to hold the elections in June with the presidential elections. Actually, this is not quite supported by the presidential structures. Nevertheless, I will insist on this. December is not the best option either, though I am not afraid of this nor any other dates. It would definitely be the best to hold the elections in June. I think that the elections for governor and to the Oblast Duma should be held at the same time. The Duma's legitimacy expires on 27 March.

[Borovskaya] Does it want this?

[Matochkin] This is its business. Elections are a test for the Duma before the voters. It can postpone them, but it will thus "swallow the bite" cast by the president. Here is what he did: He wrote in his edict that we, executive branch leaders, should "set a date" for the elections, and the legislative branch should "propose" it. The State Duma once did not accept this when Shumeyko suggested extending its powers. And it did the right thing. Eventually, it is our deputies who should make a decision. I would recommend them to hold elections together this summer, and then hold elections for local self-governments in December because it is necessary to separate elections to local self-government and state authorities. The proposal to separate the elections for governor and to the Duma is another political game.

[Borovskaya] As far as I understand, however, the president's consent is needed to hold joint elections in June.

[Matochkin] I will insist on this firmly, though within the framework of the law. Everything depends on our Duma's stance. If it insists on the same thing, there will be more hopes for a positive outcome.

Russia: Program Approved To Aid Public Near Semey Test Range

MM1302142996 Moscow ROSSIYSKAYA GAZETA in Russian 13 Feb 96 p 6

[Russian Federation Government Decree No. 1307, signed by Premier Chernomyrdin and dated 31 December 1995: "On the Federal Targeted Program for 1996-1997 and for the Period Through the Year 2000 To Provide Medical and Social Aid to the Population and To Normalize the Public Health Status of Population Centers in the Altay Republic Which Were Affected By Radiation as a Result of the Nuclear Tests at the Semey Test Range"]

[FBIS Translated Text] With a view to providing state aid to the Altay Republic in improving the health of its population, who were affected by radiation as a result of the nuclear tests at the Semey Test Range, the Russian Federation Government decrees that:

1. The appended Federal Targeted Program for 1996-1997 and for the Period Through the Year 2000 To Provide Medical and Social Aid to the Population and To Normalize the Public Health Status of Population Centers in the Altay Republic Which Were Affected By Radiation as a Result of the Nuclear Tests at the Semey Test Range (hereinafter, the program) is hereby ratified.

The Russian Federation Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters and the Altay Republic Government shall be defined as the state contracting authorities for the program.

2. The Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance shall include the program on the list of federal targeted programs funded out of the federal budget, and make provision for the allocation of the necessary amounts of capital investment and financial resources to implement the program when drawing up the annual forecasts for the Russian Federation's socioeconomic development and drafts of the federal budget.

3. The Altay Republic Government, the Russian Federation Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters, the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, the Russian Federation Ministry of Health and Medical Industry, the Russian Federation Ministry of Agriculture and Food, the Russian Federation Ministry of the Environment and Natural Resources, the Russian Federation Ministry of Social Protection of the Population, the Russian Federation State Committee for Sanitary and Epidemiological Supervision, and the Russian Federal Service for Hydrometeorology and Environmental Monitoring shall ensure the implementation of the measures envisaged under the program.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

[Dated] Moscow, 31 December 1995
No. 1307

Russia: Program To Aid Population Near Semey Test Site Detailed

MM1302162496 Moscow ROSSIYSKAYA GAZETA in Russian 13 Feb 96 p 6

[Article by Aleksandr Linkov: "People Are Healthy When the Land Is Clean"]

[FBIS Translated Text] The 22 nuclear explosions that have occurred in the past at the Semipalatinsk [Semey] test site have dealt an invisible radiation blow to the population and environment in a number of areas of the Altay Republic. The incidence of malignant tumors is higher than the Russian average, the level of infant mortality is higher, and people live less long. People in trouble through no fault of their own have received a variety of assistance in recent years. A federal program is now being launched specifically to provide medical and social assistance and normalize the sanitation and hygiene situation in population center in the Republic of Altay subject to radiation.

The purpose of these detailed documents is to solve problems associated with easing the medical, social, and psychological effect on people's health. For example, a republic oncological clinic, a children's health center, several rayon and district hospitals, and other health facilities are to be constructed. The intention is to treat 1,000 people annually in specialist centers and scientific research institutes, pay for 600 patients to go to sanatoriums and resort institutions for rehabilitation, and implement other measures to protect the population's health.

A large amount of work is to be done to normalize the sanitary and hygiene situation in population centers. To that end there are plans to construct specialist epidemiological monitoring centers and a radiological laboratory and to develop water supply and municipal services systems. The launching of facilities to process agricultural raw materials will make it possible to produce drugs and baby and dietetic food from ecologically clean local raw materials.

Some 534,710 million rubles [R] are being made available to implement the program's measures. Some R512,354 million of this will come out of the federal budget. Moreover, currency appropriations in the sum of $17.2 million are provided for to acquire imported equipment and instruments.

The end result of the measures should be a healthier population, fewer adverse effects of radiation on people's health, a better quality of medical assistance, and better living conditions.

Russia: Perm Security Service Reports on Success in 1995

LD1302142596 Moscow Russian Television Network in Russian 1100 GMT 13 Feb 96

[From the "Vesti" newscast]

[FBIS Translated Text] We all know that members of the counterintelligence service are secretive and not at all chatty. In Perm they meet journalists once a year. At a news conference on the results of the past year, journalists met with Sergey (Yazubchenko), the new head of the Perm directorate of the Federal Security Service. He was transferred here from Chita. With regard to his political views he just said that during the Duma elections he voted for the party which concentrates most on social issues. Journalists learned about the successful work of Perm's counterintelligence staff in 1995 from his deputy Vladimir Kuimov.

[Begin Kuimov recording] Intelligence operations in 1995 yielded twice as much information as compared to 1994. Over 200 reports covering all aspects of ensuring security were dispatched to the Center. [end recording]

Kuimov said that western special services are using the disastrous situation in our industry to try and set up a legal [as heard] system of gathering information about the latest technologies in the country's industrial and military complex but Perm's counterintelligence nips such attempts in the bud. Generally speaking, the content of the news conference was so obscure and mysterious that it reminded one a popular song called "If someone here now and then." Nothing specific was mentioned at the news conference. Journalists voiced their dissatisfaction but the counterintelligence representatives just said that "a secret is a secret and we are properly protecting it."

Russia: Siberian Garrisons' Coal Supplies Drying Up

MM1302142696 Moscow KRASNAYA ZVEZDA in Russian 10 Feb 96 p 1

[Report by Aleksandr Veklich: "Siberian Military District at Freezing Point. Ministry for Railways Blocks Cars Carrying Coal for Garrisons"]

[FBIS Translated Text] Novosibirsk — While the Russian Federation government decides how to fund the Armed Forces, life at military camps on Siberian territory could be stuck at freezing point. Disaster struck suddenly. By directive of the minister of railways, railway workers were ordered from 1 February this year not to accept or to dispatch any freight to military units without cash payment.

"If you want to heat the garrisons, we need money up front!" — this is roughly how the West Siberian Railroad administration reacted to an urgent request from the Siberian Military District Apartment Maintenance Directorate to get coal trains to the remote garrisons. If the worst came to the worst it was suggested that, like other departments, the military pay the railroad by barter. But what do railroad workers want with weapons and combat equipment...?

Meanwhile, dozens of boilers are continuing to "eat into" the already modest coal reserves. Assessing the situation, Colonel Viktor Kopylov, deputy chief of the Siberian Military District Military Transport Communications Service, remarked that even a minimal delivery of 105 carloads of coal for the boilers would cost 250 million rubles. The district's apartment maintenance directorate will not find this sum overnight. Only by some miracle did it manage to get 10 carloads of coal sent to the Novosibirsk garrison, which is currently experiencing the severest cold weather.

According to information from Colonel Grigoriy Kuyan, chief of the Siberian Military District Apartment Maintenance Directorate, even miners, who are already experiencing enormous difficulties, are showing sympathy for the Siberians. The mines and open pits of the Kuzbass continue to despatch coal to troops stationed in Siberia. The miners understand what consequences even the briefest shutdown of boilers would have for the garrisons. But the Siberian Military District commanding officers' and military communications officers' efforts to resolve the problem of securing emergency coal deliveries to military garrisons with the help of the heads of administration in the Kuzbass, Krasnoyarsk Kray, and Novosibirsk Oblast, as already reported, have not met with support in the administrations of the Krasnoyarsk, Kemerovo, and West Siberian Railroads....

Incidentally, coal has almost run out at one district garrison from where many servicemen were recently sent to perform combat tasks in Chechnya, and it has been forced to buy coal on credit. In a few days there will be no fuel to heat the dwelling houses where the families of the officers and warrant officers fighting in the war remain. Meanwhile, a few kilometers from the camp, trains carrying coal continue to arrive at the railroad station. Unfortunately, the coal is intended not for the Fatherland's defenders but for people of means.

Economic Issues

Russia: Kulikov Wants Strategy To Overcome Finance Crisis

LD1302164696 Moscow INTERFAX in English 1356 GMT 13 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 13 (INTERFAX) — Russia's Interior Minister and Doctor of Economics Anatoliy Kulikov told INTERFAX Tuesday that strategic decisions were needed to overcome the crisis in financing the defense and law-enforcement bodies.

This conclusion is derived from the discussion of the issue by Russia's Security Council on February 7, he said.

"Following an analysis of the problem, experts from the Interior Ministry proposed that commercial banks and large commercial monopoly organizations should be partially nationalized, which can only be done by the president," he said. "In other words, the controlling block of shares of the banks must be transferred to the government, and a special committee set up to run the state assets in commercial banks and organizations," he said.

"Gazprom, ZIL, KamAZ, AvtoVAZ, LUKoil, Yukos, Promstroybank, Agroprombank, Mosbiznesbank, Mostbank and Bank Imperial must be subjected to such a procedure," he said in answer to an INTERFAX question.

Kulikov said that the debts owed to Russia by CIS countries, a total of about $9 billion, might be used to tackle the problem. This sum equals the credit promised to Russia by the International Monetary Fund, said Kulikov.

Russia: Kulikov Call To Nationalize Banks Questioned

MM1402133096 Moscow TRUD in Russian 14 Feb 96 p 2

[Commentary by Lyudmila Pertsevaya under the "View of the Situation": "Should There Be a Rush into 'Dekulakization'?"]

[FBIS Translated Text] In the process of the reform and restructuring of the country's whole economic complex it is quite natural that some things were destroyed and "optimized" (for example, the "overblown" military complex has been subjected to a difficult conversion process) whereas some things were created virtually from scratch. For example, the new financial system very quickly established itself. Let us recall that commercial banks have appeared in every city and almost in every major enterprise. At the aviation plant in Ulan-Ude the director told me that they soon opened their own bank in the former party committee building: "We needed it far more for our survival and development!" Yu. Kravtsov said. And as subsequent events showed, he was right...

The formation of the banking system was also aided by the reforming zeal in society, the preferential registration terms, and rampant inflation — an especially fertile breeding ground for financial speculation. Lavish presentations, white Mercedes cars, and new branches...given the background of the general slump in production, newspapermen constantly wrote tirades about "feasting during the plague"... Interior Minister General Kulikov's harsh proposal at the recent government session surely fits into this psychological mood. He proposed a partial nationalization of the commercial banks and a number of other radical measures so as finally to pay the wages of the long-suffering army and the police. Well, people must be paid. In he went on: All around there are poverty and tears while these people are sitting in their new offices on heaps of money — let them share it out!

The esteemed minister knows that we have not mastered the art of dekulakization [expropriation of wealthy peasants in late twenties under Stalin], thus far we have been smashing the old (often not very intelligently or carefully), so now let us smash the new that we have hardly created yet.

Leaving emotion aside it has to be recognized that the banks, which are largely preoccupied with their own problems, have managed to concentrate capital and build up an extensive, well-equipped, and highly protected financial system. With well-trained staff, computer networks, protection, and access to foreign markets. And against the background of events in the country they have clearly made headway. Even the once impoverished Savings Bank managed to modernize its branches in many cities and settlements and almost reached the European level. So do we smash them again — is it a case of peace to cottages, war on castles?

It is interesting that the call to nationalization came not from the leftward leaning State Duma but from the pro-reform government. The proposal to nationalize some of the major commercial banks — for example, Promstroybank, Agroprombank, Mosbiznesbank — was put forward by a power minister — an "economist in uniform," as my press colleagues are fond of joking. It is all very simple, like in a detective movie — there is no money, so rob the banks instead.

Meanwhile, life itself and normal market relations are already tightening the screws and making the bankers work in a new way. First, the government is managing to curb inflation, and casual speculative operations have disappeared from our life. That was the reason for the collapse of many inept financiers. The high-risk credit policy bankrupted the second wave, the banks became much more cautious, the majority of them finally reverted to the production sphere and long-term, secure investments. Small banks, which overnight found themselves simply unable to survive, began to merge. For example, in Bryansk the Biznes-bank joined forces with the Narodnyy Bank while in the capital the Moscow United Bank joined with the Balchug bank. In this way both minimize their costs and begin living according to their means. However, the Omega bank in Krasnodar failed to sort itself out in time, went bankrupt, and sank without trace. The same fate befell the Vita bank in Bashkortostan and dozens of other banks.

The Central Bank, which is monitoring the activity of the commercial banks far more closely and rigorously today, provides daily reports on that subject. The State Duma has also given the executive an instrument for regulating banking activity: On 10 February the new version of the Russian Federation Law "On Banks and Banking" went into force.

The new law's primary advantage over the previous version is that it regulates the activity of credit organizations more fully and rigorously. In order to found a new bank it is now necessary to submit not just an auditor's report on the reliability of the founders' financial accounts but also confirmation by the Russian Federation State Tax Service's organs of how the founding organizations have met their obligations to the budget in the past three years. To the two existing reasons for refusing state registration a further one has been added: Failure to meet the qualifications required of candidates for the post of directors and chief accountant (lack of the relevant training or work experience, convictions for certain types of offense, and termination of the employment contract in the previous two years for violations of the rules regarding the handling of money and commercial assets).

The law also envisages liability for conducting bank operations without a license. As the result of an action brought by the Prosecutor's Office, Central Bank of Russia, or official federal agency against such a corporate entity the latter forfeits the entire sum made from such operations and is fined twice that amount. It is obvious that such a rigorous liability is also aimed at protecting investors' interests. For the same reason the law introduced a rule which does not allow the bank to try to attract citizens' investments until two years after state registration (this norm does not apply to banks already in business on the day that the law went into force). In addition, the law envisages a Federal Fund for the Compulsory Insurance of Deposits and voluntary insurance funds. Other requirements are also introduced — with regard to the payment of incorporation capital, the creation of bank holding companies, and on other aspects of credit organizations' activities.

In short, the situation regarding the banks is developing normally, I think. But as for the payment of wages and the fact that money is being "stashed away" in bank accounts while people are going hungry, one simple thing should be borne in mind: As a rule, it is not the banks themselves which are stashing the money away, it is the **clients**. They are the ones who should be rigorously monitored, they should be called to account for the wages which have disappeared without trace.... The Russian Federation president's latest edicts provide the grounds for that.

Russia: Goskomstat Action on Information for Investors Ordered

MM1302153796 Moscow ROSSIYSKAYA GAZETA in Russian 13 Feb 96 p 3

[Russian Federation Government Decree No. 80, signed by Premier Chernomyrdin and dated 2 February 1996: "On Improving the Provision of Information for Potential Investors"]

[FBIS Translated Text] With a view to creating the conditions for galvanizing investment activity and improving the provision of information for potential investors, the Russian Federation Government decrees that:

— the Russian Federation State Committee for Statistics [Goskomstat] shall elaborate in conjunction with the

Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, the Russian Federation State Tax Service, the Russian Federation State Committee for the Management of State Property, and the Central Bank of the Russian Federation and ratify in the first quarter of 1996 a list of the indicators needed to provide information for investment activity and to organize monitoring of the Comprehensive Program for Stimulating Russian and Foreign Investment in the Russian Federation Economy that was approved by Russian Federation Government Decree No. 1016 "On the Comprehensive Program for Stimulating Russian and Foreign Investment in the Russian Federation Economy" of 13 October 1995 (SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, No. 43, 1995, p. 4069).

On the basis of the above list the Russian Federation Goskomstat shall submit to organs of state power and local self-government on a nonpaying basis, and to other interested users on a contractual basis, the information required to implement investment activity.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

[Dated] Moscow, 2 February 1996
No. 80

Russia: Liquor Import Quotas Seen as Economic, Political Risk

MK1402103296 Moscow KOMMERSANT-DAILY in Russian 13 Feb 96 pp 1-2

[Report by Vadim Bardin: "The Voter Will Go to the Polls Straight From the Vodka Line"]

[FBIS Translated Text] Confusion reigns on the alcohol import market. First, a package of documents was announced realizing the scenario envisioned under the Law "On State Regulation of the Production and Circulation of Ethyl Alcohol and Alcohol Products," including the imposition of quotas on liquor imports. Yet soon the president signed an edict "On Strengthening State Control Over the Circulation of Foreign-Made Alcoholic and Tobacco Products," and a weak hope emerged that until the presidential elections everything would be confined to a fight against smuggling. This hope was short-lived, however: Yesterday Viktor Chernomyrdin signed the coveted decrees.

In the Morning They Awakened

KOMMERSANT-DAILY has repeatedly written about imminent changes on the liquor market. Anatoliy Chubays has been called their godfather. In spite of the fact that the official reason for his resignation were charges of abetting violations of budget discipline in the form of the nonpayment of salaries to budget-maintained sectors, he was the one who insisted on the budget's being replenished, in particular, by restoring tough state regulation of alcohol production and trade. The government's expectations of revenue growth are measured by the impressive figure of 2 trillion rubles a month. This sum seems to have bewitched the government. Revenues are always needed, especially in an election year.

It would be all right except that in the race between budget revenues and prices the latter have always been first. There is no doubt whatsoever that the same will happen this time around. True, the government is putting vodka and liquor with an alcohol content higher than 28 percent on the list of products the prices of which are subject to regulation. This regulation will not please consumers, though: Minimum prices are introduced with all payments to the budget taken into account.

Naturally, the authorities seek to stave off the growth of prices. The rationale is this: The innovations must not lead to price hikes for law-abiding domestic producers; their interests are protected by, among other things, the import quotas which are being introduced for the first time. Yet the quotas will only appear on 1 June, and the hope that prices will not react until after 16 June is rather ephemeral. First, prices also react to expectations, while the nature of these expectations is quite unequivocal; moreover, the free sale of excise stamps stops in April. Second, even the most law-abiding producers not only will raise prices with pleasure, but will in fact be forced to. As of 22 January 1996 a rule went into effect arising from the government decree "On the Excise Duty on Vodka and Alcoholic Beverages Stronger Than 28 Percent," whereby the excise rate is established at no less than 10,000 rubles per liter. Therefore, Yakov Urinson's prediction that the introduction of a new package regulating the alcohol market will lead to a growth in vodka prices of only 10-15 percent will probably not break the tradition whereby all official price growth forecasts end up being overfulfilled.

The most peculiar part is that the 2 trillion rubles which the government expects to flow into the budget every month could also be a chimera. It is already known that, in spite of strong pressure from Moscow, Russia's partners in the customs union — Belarus and Kazakhstan — are not going to take analogous action to impose import quotas. This means that either the Belarusian flow of liquor will take away a substantial part of revenues expected in Moscow or Moscow will have to wage trade wars not only with Kiev (an excise duty has already been slapped on the import of horilka [Ukraine vodka]), but also with Minsk and Alma-Ata

[Almaty]. As a result, the customs union could turn out to be fiction, which will far from consolidate the prestige of the Russian authorities in the run-up to the elections, when the subject of interaction between the former USSR countries will become very popular.

Who Will Win?

If the political risks from these innovations are obvious and the budget gains are anything but, the logical question is, "Who benefits from this?"

At this point it is appropriate to remember Anatoliy Chubays again. Leaving aside the political subtext of his resignation (the leftists were deprived of an excellent target for attack), the "party of privilege" surely played a part in removing him, which was directly indicated by presidential economic adviser Aleksandr Livshits. Indeed, Chubays was the main striking force in the government's struggle against privileges in the foreign economic sphere. The adoption of the Chubays-inspired package could rebound on them, however. No, so far no privileges in the form of exemptions from customs or excise duties are envisioned at this stage, but a new class of participants in foreign trade is emerging — special importers — and it will, of course, be recruited from among the old faces, who enjoyed the full gamut of foreign economic privileges. So businessmen in the sports sphere have every chance of retaining the positions of monopolist importers. Those distributing these quotas will be none the worse off, either.

The Economy Ministry, jointly with other departments concerned, "proceeding from the balance of supply and demand," are told to define the general quotas for the import of ethyl alcohol and liquor products. An interdepartmental commission is to "organize the auctioning of general import quotas." So there is broad room for playing around with the organization of auctions, and in any game professionals always have better chances.

Who Will End Up the Loser?

Actually the main candidates for losers have already been named — the president and his government. Yet there is also a second league among the losers. If the imposition of vodka import quotas can really be seen as a protectionist measure, in the case of wines things are quite different. Here the affected suppliers have every chance of enlisting the support of their governments, which will tell on Russia's chances of entering the WTO and its relations with the Council of Europe. On one hand, who is bothered about the WTO where budget revenues are concerned? On the other, it is not ruled out that Russia's unclear prospects for gaining a coveted market status, which was confirmed during Viktor Chernomyrdin's Washington visit, untied the government's hands. Russian exporters should, however, brace themselves for increased antidumping pressure, primarily on the part of wine-producing countries. Therefore retaliatory, primarily political, measures should be expected from Ukraine, Moldova, Georgia, and Azerbaijan.

Meanwhile there is a very simple and effective alternative to the imposition of import quotas — so-called technical barriers in trade, which fit into the WTO norms. There is one classic example. Chile also decided to protect its beer producers. This was done, however, without quotas or special importers, and with duties completely done away with. A simple rule was introduced: Beer could be imported only in 5-liter bottles. And that's that.

Russia: Soskovets Commission on Oil Export Irregularities

MK1402122196 Moscow SEGODNYA in Russian 14 Feb 96 p 2

[Report by Natalya Olenich: "Oleg Soskovets Is Going To Come To Grips With the Situation in the Oil and Oil Products Export"]

[FBIS Translated Text] Questions related to the production and export of oil and oil products were discussed at yesterday's meeting of the Commission for Day-to-Day Matters, chaired by Deputy Prime Minister Oleg Soskovets. It is planned to produce 301.3 million tonnes of oil in Russia in 1996. Export will reach 112.5 million tonnes, including 93.5 million tonnes to the far abroad and 19 million tonnes to the near abroad. In addition, 6 million tonnes will be delivered to the refineries of CIS countries under temporary export contracts.

Internal Affairs Minister Anatoliy Kulikov's memo to President Boris Yeltsin on serious breaches of law with regard to oil exports was read out at the meeting, ITAR-TASS reported. According to the Internal Affairs Ministry, a number of oil companies have been reportedly misappropriating proceeds from the sale of oil and oil products. Furthermore, there have been incidents of delaying the remittance of hard-currency proceeds from oil sales. In particular, a total of $1.099 billion and $880.6 million, that were earned under contracts for the sale of oil and oil products, respectively, were not received on schedule. Moreover, large sums of money have not been paid into the state budget. According to the Russian Tax Police Department, fines to the tune of 1 trillion rubles and $10 million have been imposed on the violators. On Oleg Soskovets' directive, the Commission for Day-to-Day Matters will shortly hold a closed-door meeting to mull over irregularities concerning oil exports.

According to INTERFAX, the meeting also considered the problem of giving state assistance to the Russian Space Agency. Under the commission's decision, the Ministries of Economy, Finance, Defense, Foreign Economic Relations, and the State Defense Industry Committee are to draw up within three months a mechanism of assisting the Russian Space Agency in fostering international cooperation. The mechanism should provide for tax and customs benefits, cheap loans, uninterrupted funding of specific projects under which Russia has assumed international obligations. In addition, Oleg Soskovets ordered that a draft government decree defining property, legal, and financial relations between Russian participants in space-related foreign economic activities be drawn up within three months.

Russia: Russian's Real Incomes Decline 13 Percent in 1995

MM1402114796 Moscow PRAVDA in Russian 14 Feb 96 p 1

[ITAR-TASS report: "Poverty Takes A Stranglehold"]

[FBIS Translated Text] Russians' real monetary incomes fell by 13 percent last year compared with 1994, which led to a reduction in consumption of the most important food products. According to the data of the Russian Federation Ministry of Labor, last year the average per capita income allowed one to buy 14 percent less meat and 23-26 percent less sugar, bread, potatoes, butter, and milk than in 1994.

Commenting on these figures, Aleksandr Tkachenko, leader of the Russian Federation Ministry of Labor labor market and population administration [upraveleniye na rynke truda i narodonaseleniya], described as a "major mistake" in the sphere of social policy last year "the unacceptable level of rigor shown toward the population's incomes."

Analysis of the 1995 results carried out by the ministry's officials showed that, as a result of this policy, real incomes and pay have fallen. This, in the specialist's opinion, enables one to conclude that "there has not yet been a real switch to social orientation in the reforms."

Russia: Economic Ministry, Coal Lobby Said at Odds

MM1302164196 Moscow IZVESTIYA in Russian 13 Feb 96 p 2

[Article by Irina Savvateyeva: "Trillions for the Miners: Battles Behind the Scenes Continue"]

[FBIS Translated Text] What you would have thought was the penniless coal industry, which is constantly short of money to pay wages remains — in certain respects — extremely attractive from the financial viewpoint. The secret is a simple one: Supervising the allocation of trillions in state subsidies automatically ensures the supervisors an influential position and gives them political clout. That is why for the last six months there has been a tense secret battle in the corridors of power over the text of a presidential edict, which is supposed to regulate questions pertaining to management of the coal industry.

Until recently the coal industry lived by the president's edict of 1992, which laid down the rules of play for the first phase of flotation: The foundations were laid for the privatization of mining enterprises along with the fundamental principles of the system for the management of the sector. However, this edict expired late last year. The president's latest verdict [as published] was supposed to lay the legal foundations for the completion of the flotation process. And determine the fate of the top establishment — "Rosugol" — which until December 1995 handed state blocks of shares in mining enterprises over to commercial management along with the fate of these blocks of shares themselves. And, needless to say, it was supposed to answer the question of how the trillions of state subsidies would be allocated.

During the miners' recent offensive against the government, along with wage demands, the question of the need to complete reform of the industry was also raised. By and large the executive gave fairly transparent hints that, if a document is drafted that does not suit the coal lobby, the authorities will have a great deal of trouble from the politically cohesive miners' movement. At what is a highly inopportune political moment, moreover.

Accordingly the position of the miners — both the trade unions and "Rosugol" — is this: State subsidies must still be divided up by "Rosugol"; it must to some extent retain its control over the state block of shares in mining enterprises. That suits the whole mining industry since it guarantees extracting the maximum possible — or even impossible — trillions from the state budget. However, "Rosugol" unashamedly insisted that it should combine state management functions (the allocation of budget subsidies and control of state blocks of shares) with joint-stock company status, that is, the status of a profit-oriented private structure.

Until recently the Russian Federation Ministry of the Economy has been the only opponent of the powerful coal lobby. For the division of budget cash it champions the tendering principle, along with a more liberal structure for the management of the mining industry.

The president's edict was expected to clarify everything in this protracted dispute.

But the edict "On Measures To Further Improve the Structure of the Russian Federation Coal Industry" proved to be a half-hearted, not particularly reformist, and certainly not conservative compromise, which was all it could be in the current tense political situation.

The main point is that "Rosugol" has been declared an open joint-stock company with 100-percent state ownership — regardless of the future structure of the incorporation capital the state retains the right of ownership. On all other issues the edict leaves the government with unenviable freedom of action. It has been tasked with defining the structure of "Rosugol" incorporation capital along with the procedure for the allocation of state support funds.

The edict envisages the government's right to surrender state blocks of mining shares to the control of various agents. It particularly stipulates that "on government instructions" these functions can also be performed by "Rosugol."

Thus, ultimately a great deal will depend once again on the ability of "Rosugol" to get its own way. And January's events once again confirmed that this ability is vast. Moreover, on virtually all the main issues "Rosugol" is backed in the controversy with the Ministry of the Economy by the Ministry of Fuel and Energy, which is extremely important in the disposition of forces within the apparatus.

Shifting to the government (effectively, to Chernomyrdin) the heavy burden of coming up with the final decision on such an important and costly issue renders the process of adopting this decision even more dependent on both secret apparatus intrigue and on outright political pressure. At the same time it is quite obvious that in the current highly politicized situation the premier cannot have the last word on the miners' extremely urgent problems without first coordinating this with the president. However, the premier alone will bear full responsibility for the consequences of what is said.

In this situation where "Rosugol" still has very good chances of enshrining its current position — its opportunity to share out the budget trillions as well as to perform the functions of an economic entity — it would be appropriate to recall the possible consequences of such a combination of activities. Based on the results of an audit of "Rosugol" by the Russian Federation Comptroller's Office it was found that there were cases where state money was not used to maintain the sector as envisaged by the Law on the Budget, but instead to maintain the apparatus of the "Rosugol" company itself. There was also the money spent on housing construction, procurement of equipment, and medical services. These sums amounted to 3 billion rubles [R], R1.75 billion, R0.5 billion, and several hundred million rubles respectively.

Needless to say, this is not big money compared with the trillions that the mining industry receives in budget appropriations. However, the situation is tricky in that, as an economic entity which is —let me remind you — independent, "Rosugol," earned profits of R13 billion over the first nine months of last year and was consequently able to improve its prosperity using its own funds rather than with the taxpayer's money, destined by law for quite a different purpose.

International Affairs

Ukraine: Kuchma Wants Compensation for Nuclear Withdrawal

LD1302174696 Kiev UNIAN in Ukrainian
1515 GMT 13 Feb 96

[FBIS Translated Text] Kiev — President Leonid Kuchma has told U.S. Ambassador William Miller that during his working visit to the United States on 20-22 February, he will raise the question of compensation owed by Moscow for tactical nuclear weapons transferred from Ukraine to Russia in 1992-1993, said Volodymyr Ohryzko, head of the foreign policy department at the presidential administration, to journalists.

Moscow is due to reimburse the value of tactical nuclear weapons to Ukraine under an agreement signed in May 1994 by Ukraine's Acting Prime Minister Yukhym Zvyahilskyy and Russian Prime Minister Viktor Chernomyrdin. The agreement has not been implemented.

Ukraine: Germany To Give 4 Million Marks for Nuclear Safety Center

LD1302184596 Kiev UNIAN in Ukrainian
1515 GMT 13 Feb 96

[FBIS Translated Text] Kiev — Germany intends to allocate nearly 4 million German marks for the formation in Ukraine of an international research and development center for nuclear and radioactive safety, Yuriy Kostenko, minister of environment and nuclear safety of Ukraine, said at a news conference, held at the Ministry of Environment and Nuclear Safety on 13 February.

According to him, German specialists who offer their participation in the work of the center, which is being set up, believe that it would be expedient to spend this money on the implementation of programs connected with the facility Ukryttya. Apart from the programs concerning the analysis of its current condition, there are programs to study the biological effect of the Chernobyl catastrophe and the problems of the enclosed area.

Earlier for the measures connected with the setting up and the launching of the international center of the USA, the U.S. Government gave Ukraine $3 million. Last year Italy planned to give Ukraine $3 million. France, Japan, and other countries expressed interest in the work of this center.

Ukraine: Finland To Provide Aid To Register Nuclear Materials

LD1302224696 Kiev UNIAN in Ukrainian
1515 GMT 13 Feb 96

[FBIS Translated Text] Kiev [no date as received] — In 1996 Ukraine will receive 1.5 million Finnish marks in aid from Finland to create a state system to register nuclear materials, UNIAN learned from Ukraine's Ministry of Environment and Nuclear Safety on 13 February.

The funds will mainly be used to create a computerized registration system. According to the Ministry of Environment and Nuclear Safety, last year Finland provided to Ukraine 2 million Finnish marks worth of equipment to register nuclear materials.

Ukraine: Navy Takes Over Black Sea Fleet Intelligence Ship

LD1302131296 Kiev UNIAN in Ukrainian
1120 GMT 13 Feb 96

[FBIS Translated Text] Sevastopol — The Ukrainian navy has taken over the Jupiter intelligence ship transferred from the Black Sea Fleet. Under a directive from the Ukrainian defense minister, the ship has been renamed Simferopol, the Ukrainian navy press center reports.

In accordance with the Ukrainian president's decree on the organization of patronage over Ukrainian navy ships and the Ukrainian fleet, the Simferopol city executive committee has agreed on the range of patronage activities to be pursued with regard to the ship named after the city.

In the immediate future, the ship's patrons plan to organize a ceremony of raising the Ukrainian navy flag on board the Simferopol.

Ukraine: Deputy Minister: Kiev To Help Solve Dniester Conflict

LD1302183796 Kiev UNIAN in Ukrainian
1515 GMT 13 Feb 96

[FBIS Translated Text] Chisinau — Ukraine is prepared to present "ideas and projects" it has developed which will reinforce its presence and role in the solving of the Dniester problem, Kostyantyn Hryshchenko, first deputy minister of foreign affairs of Ukraine, said on 13 February at a meeting with Dumitru Motspan, deputy speaker of the Moldovan parliament. According to a UNIAN correspondent, the diplomat expressed hope that the negotiations in Moldova "will be instrumental in developing the most effective approaches for upgrading the political role of Ukraine in the solving of the Dniester crisis." In the opinion of Kostyantyn Hryshchenko, today "there exist conditions for drawing up a model that will satisfy both the central government of Moldova and Tiraspol." The deputy minister spoke in favor of speeding up [as received] the political and economic relations between Ukraine and Moldova.

Dumitru Motspan stressed that he relies on "special assistance from Ukraine in solving the Dniester crisis." He reported the formation of a commission with him at its head to study the reasons for the military conflict on the territory of the country. The commission is to give a political assessment of this conflict.

National Affairs

Ukraine: Foreign Minister on Tasks, Personal Views

AU1302202596 Kiev HOLOS UKRAYINY in Ukrainian 3 Feb 96 p 8

[Interview with Ukrainian Foreign Minister Hennadiy Udovenko by HOLOS UKRAYINY correspondent Valentyna Pysanska; place and date not given: "I Witnessed an Historic Event"]

[FBIS Translated Excerpt] [Pysanska] Hennadiy Yosypovych, you took the post of Ukraine's "chief" diplomat at quite a mature age. Do you think that this appointment was late in coming, timely, or anything else?

[Udovenko] It came just when there was such a need. Frankly speaking, before, I would not have been heeded. Now, I have all the necessary conditions for work: The Ukrainian president has given me broad powers and promotes the development of our country's external policy by his own activity. I have absolutely normal relations with the Presidential Administration, with the Cabinet of Ministers, and with the Supreme Council and its chairman. I believe that there presently are favorable conditions in Ukraine for our department's normal activity.

[Pysanska] Over the period of your activity at the post of foreign minister, what was Ukraine's greatest achievement in the international arena?

[Udovenko] I will first point out that I did not start from zero. There had been certain achievements. The external political department promoted the creation of Ukraine's positive image in the world. We declared ourselves as a state with predictable external policy, a state, which consistently proceeds along a balanced course, develops relations with the West, and becomes integrated in European structures. Ukraine has been admitted to the Council of Europe and has been recommended as an equal member in the TsYeYi [expansion not known]. On the other hand, a warming of relations has been achieved with our great neighbor — Russia. Ukraine is becoming an influential state and is playing an increasingly important role in international affairs. We can be proud of this.

[Pysanska] What are your department's shortcomings?

[Udovenko] You see, achievements in external policy are a reflection of the internal policy. However, the present situation in Ukraine is such that achievements in external policy overtake those in domestic policy. We have an economic crisis in the country. It must be said that our foreign partners show understanding of our situation by giving us political credits. They are waiting for the mechanism of market reforms to start working here. However, we waste too much time on discussions and cannot or sometimes do not want to use the assistance that comes from abroad. Credits are offered to us for concrete projects, but we do not have them and fail to create conditions for foreign capital to flow to Ukraine. Unless the process of democratic and economic transformations intensifies, the state's external policy will be ineffective.

[Pysanska] Judging by the results of activity of Ukraine's external political department, one sometimes gets an impression that it runs far ahead of the "locomotive...."

[Udovenko] Ahead of the locomotive? You see, it so happened that, after the proclamation of independence, the Ministry of Foreign Affairs was best prepared for external activity. This was, undoubtedly, due to Ukraine's participation in international organizations.

[Pysanska] Do you often meet with the president?

[Udovenko] Once a week, during our scheduled sessions, during visits of leaders of foreign states, and during foreign trips.

[Pysanska] Do you often convey unpleasant information to the president? If so, how does he react to it?

[Udovenko] As soon as it comes. His reactions vary.

[Pysanska] Are your relations with the president strictly official or friendly?

[Udovenko] Official, but we have an excellent mutual understanding.

[Pysanska] How often do you show firmness in your work?

[Udovenko] Whenever necessary. But especially when important things are involved.

[Pysanska] For example?

[Udovenko] When it is a matter of our state's territorial integrity and inviolability of its borders. Or, for example, when, in the fourth year of our independence, discussions start in various circles: Will Ukraine become a part of the Union that will be restored some day, a confederation, or a federation, whether it will join the association between Ukraine, Belarus, and Russia, and so on. Or else, about the creation of some coordinating all-embracing council — we simply can't live without somebody coordinating our life.

[Pysanska] It annoys you?

[Udovenko] I cannot afford being annoyed. Because I realize that many people still have the national minority complex, a complex that formed over decades of the Soviet regime. This is the same as being angry with a tree because it has grown slightly crooked....

[Pysanska] Do you have many official secrets? Do you have close friends in whom you can confide?

[Udovenko] Secrets are not for confiding in somebody. The entire external political activity is associated with national interests and is a part of state secret. I am against such a system when even the Chernobyl disaster is kept secret for no obvious reason. However, after that, especially in the first years of independence, we had such an open diplomacy that even municipal housing offices had more secrets than the Foreign Ministry. What other state can afford such a situation?

[Pysanska] Hennadiy Yosypovych, you are probably the only Ukrainian diplomat who had an ambassadorial rank in Soviet times. What was the attitude of Russian diplomats to you?

[Udovenko] Just as to everybody else — with arrogance. I reacted very painfully to that Moscow and Soviet contempt for the "Khokhly [contemptuous for 'Ukrainians'], who know nothing but just eat their lard." Despite the fact that Ukrainian diplomats were in no way inferior to Russian or any other diplomats in their professional qualities. However, you know, at all times, all of us, who worked in international organizations and even fulfilled Soviet instructions, did everything to declare Ukraine and raise its prestige, even without conspiring to do so, and found possibilities to have our own say. We did succeed in this — although within limited sovereignty, but in the United Nations, we were an independent state, like the United States, the USSR, or Lesotho.... It wasn't easy, because a Soviet ambassador always stood above you, checking your every step and every decision. It was necessary to work with supreme professionalism so that you would be respected.

[Pysanska] During the proclamation of the Declaration of Ukrainian State Sovereignty, you were Ukraine's permanent and plenipotentiary envoy to the United Nations. How did you take the news?

[Udovenko] You want to know about this? I thought it will only be recalled some day in memoirs. You see, my whole life I dreamed for that day to come. Working at various diplomatic posts and staying in other countries, I imagined a Ukrainian Embassy there and thought that we would declare ourselves as a state. The very next day after the proclamation of independence, I held a news conference for about 200 journalists and rendered the content of the document that became a legal basis and an instrument in our activity. After the adoption of the Act on Proclamation of Ukrainian Independence on 24 August 1991, I informed the UN Secretary General about that, and he was not really surprised: Ukraine was a UN member as an independent state. For him, there was nothing extraordinary in that event. As I was sending out notes and information to the effect that one more independent state appeared on the world map, I had a feeling that I had witnessed an historic event, such as do not happen too often.

[Pysanska] What kind of person are you — reserved, open, or closed?

[Udovenko] I am a man of compromise: I always look for variants that would suit conflicting or negotiating sides. On the other hand, 40 years of diplomatic work have certainly had an effect on my character. That is why I am a reserved person in life and I always strive to adopt balanced decisions. [passage omitted]

Ukraine: Nuclear Plants On Alert After Russia Cuts Power

LD1302183296 Moscow ITAR-TASS in English 1801 GMT 13 Feb 96

[By Anatoliy Gordeyev]

[FBIS Transcribed Text] Energograd, Zaporozhye Region February 13 (Itar-Tass) — Ukrainian nuclear power plants were put on high emergency alert after Russia's Rosenergo company responsible for electric power supplies on Monday evening disconnected the two countries' power systems.

The electric current frequency in the Ukrainian grid automatically lowered from 49.5 to 49.2 hertz. If the frequency had lowered by another tenth of a hertz, all atomic power plants in Ukraine would have been paralysed.

The Russian side cut out the switch after repeated warnings to Ukrainian electrical engineers who, contrary to agreements on the daily transfer of 10 million kilowatts from the Russian to the Ukrainian system, arbitrarily increased the quota by almost 50 per cent.

Thus, Ukraine tried to compensate for a decrease in electricity output by its thermal power plants, caused by a miner strike.

"The staff and equipment of the Zaporozhye atomic power plant were put on alert," a plant spokesman told

Itar-Tass. "Like Ukraine's other nuclear power plants, the Zaporozhye plant has to introduce an autosufficiency regime to survive through the crisis which has hit the Ukrainian electric power system," he said.

"Our plant is producing 126 kilowatt-hours per day, a fifth of all electric power produced in Ukraine. In normal conditions, it should produce only a fifth of it," he said.

Ukraine: Security Service Dismissal Linked to PRC Deportees

LD1302205096 Kiev UNIAN in Ukrainian 1745 GMT 13 Feb 96

[FBIS Translated Text] Kiev [no date as received] — Lt-Gen Andriy Khomych was dismissed from his post as first deputy chairman of the Ukrainian Security Service [USS] because of activities while acting chairman of the USS. The secretary of the National Security Council under the president, Volodymyr Horbulin, said this in an interview with UNIAN. He noted that USS representatives had created "an international incident forgetting that they did not have the final say in Ukraine and that there was a political leadership in the state which is responsible for adopting relevent decisions."

As is known, at the end of January SSU officials investigating the activities of three Chinese experts who worked at the Pivdenmash plant in Dnepropetrovsk concluded that they were involved in illegal activities and deported them from Ukraine.

Volodymyr Horbulin also said that in addition to Andriy Khomych, the head of the SSU in Dnepropetrovsk Region, Volodymyr Slobodenyuk [as received], was dismissed from his post. Several other SSU officials were disciplined.

Ukraine: Security Services Said Losing Control Over Crime

LD1302210996 Kiev UNIAN in Ukrainian 1745 GMT 13 Feb 96

[FBIS Translated Text] Ivano-Frankovsk [no date as received] — Hryhoriy Omelchenko, chairman of the Supreme Council Commission for Issues of Combating Corruption and Organized Crime, said at a meeting of the commission that "the state bodies of power had practically lost control over the criminalization of society." In his words, the situation was most critical in Crimea, and in Donetsk and Dnepropetrovsk Regions. Hryhoriy Omelchenko cited four main areas where crime was most serious: the distribution of state funds, the financial and banking system, privatization, and foreign credits.

At a news conference, the chairman of the Supreme Council Commission stressed that he believed a national bureau of investigations would be better able to deal with organized crime. However, he thought that "the level of corporate interest in the higher rungs of power was an obstacle to the creation of such a bureau as senior officials were afraid of it like devils are afraid of frankincense."

Ukraine: Chief of General Staff Lopata Dismissed

WS1402102796 Kiev INTELNEWS in English 0206 GMT 14 Feb 96

[Report by Natalia Petiakh]

[FBIS Transcribed Text] Kiev, Feb. 13 — President Leonid Kuchma ended a long-standing dispute in the upper echelons of Ukraine's military establishment with a weekend decree firing Col.-Gen. Anatoliy Lopata, armed forces chief of staff, officials announced Monday evening.

The officer was reassigned to unspecified duties and Col.-Gen. Ivan Bizhan was appointed his acting replacement.

Lopata, with the support of Ukraine's nationalist movement, had been a persistent critic of the country's moves toward downsizing of the army from its present strength of 470,000 and the part played in it by Defense Minister Valeriy Shmarov — who became the first civilian defense minister in a former Soviet republic outside the Baltic region in October 1994.

Defense Ministry spokesman Oleksandr Kluban said that Shmarov and Lopata "had basic differences in views on reform of the armed forces."

"The minister sees the armed forces being able to defend the country within its economic capability and does not favor building an army that might extend to the shores of the English Channel," he told a press conference.

According to Volodymyr Horbulin, chairman of the president's National Security Council, the "dismissal was caused by disagreement over the organization and reform (of the military) between Shmarov and Lopata."

Horbulin said Monday that the disagreement had escalated to a "political confrontation between the two top officials" during which Lopata "made public what amounted to state secrets."

Lopata told the daily Kievskiye Vedomosti that he objected to plans to reorganize Ukraine's military districts and was "happy that I defended my standpoint."

Ukraine: Rukh Leader Accuses Government of 'Acts of Terror'

WS1402103096 Kiev INTELNEWS in English 0206 GMT 14 Feb 96

[FBIS Transcribed Text] Kiev, Feb. 11 — Acts of terror against active Rukh members and democratic forces are continuing, Rukh leader Vyacheslav Chornovil told journalists recently.

According to Chornovil, "only recently, six persons were killed and seriously injured." The Rukh leader said "the crimes are committed with the utter connivance of law-enforcement bodies."

Chornovil said that "the investigation on the case of Mykhailo Boychyshyn, former head of Rukh's secretariat, (who disappeared two years ago under obscure circumstances) was conducted so that not to detect actual causes and those guilty of the crime."

Economic Issues

Ukraine: Faction Urges 'Revision' of 'Antipopular' Economic Course

AU1302175596 Kiev HOLOS UKRAYINY in Ukrainian 6 Feb 96 p 2

[Undated "Statement by the Socialist Faction of Ukraine's Supreme Council on the Catastrophic Exacerbation of the Crisis in Ukraine" signed by Ivan Chyzh, head of the Socialist Faction at Ukraine's Supreme Council]

[FBIS Translated Text] Assessing the situation that has taken shape in the country, the Socialist Faction at Ukraine's Supreme Council points out the following: The catastrophic exacerbation of the socioeconomic, cultural, and spiritual crisis is due, to a decisive decree, to the artificially created economic collapse.

The state of Ukraine's economy stuns one both by the extent of destruction of the material productive forces of our society and by the extent of distortion of the entire system of production relations. This indicates that the policy of so-called market reforms imposed upon the state and implemented at the instruction of Western financial and credit organizations is openly antipopular and antinational in character.

Due to the artificially spurred inflation and privatization processes, the share of fixed assets and capital in circulation owned by the state has decreased sharply. Control over the state sector of the economy has practically been lost: The mechanism of state management of production has been destroyed, the system of cooperative-production ties between state enterprises has been essentially deformed, and the collective-farm-cooperative economic system is being actively ruined.

Taking advantage of these anti-economic processes, the ruling clique promotes the development of the parasitic pseudomarket capitalist regime, primarily in spheres of the credit and banking activity, trade, and market of fictitious capital (the so-called share market). In this deformed system of basic relations, interests of subjects of social production are not oriented toward efficient utilization and accumulation of the production potential or productive labor, but toward enrichment, through embezzlement and profiteering, of those who have risen to power and have in their hands considerable funds and material resources and represent the ruling body of state bureaucracy and criminal mafioso groupings.

Under these conditions, the social prestige of honest and skilled labor is undermined, something which is catastrophic in its social consequences, and Ukraine is turning into a country where people do not find it profitable to work fruitfully. One can observe sudden and large-scale stratification of the population in terms of the level of wealth, luxury, poverty, and misery. This is dangerous from the economic, social, and political points of view. At the same time, the formation of mechanisms of motivation and incentives for honest and productive entrepreneurship is being totally blocked.

The executive power, despite its persistent statements about expansion of the social foundation of market transformations and improvement of the people's standard of living, continues blatantly violating Ukraine's current legislation. In particular, Ukraine's law "On the Poverty Line" and "On the Remuneration for Labor" are not being fulfilled in what concerns establishing minimal wages at the level of the low-income limit.

In the situation that has taken shape, the position of the Ukrainian president is unjustifiable, for he must be a guarantor of the current legislation and head of the state executive power.

The Socialist Faction supports demands advanced by educationists and miners, who turn to Ukraine's Supreme Council and executive power. Similar well-grounded demands may also be raised by workers of other branches, nonworking pensioners, students, and those citizens who no longer tolerate the economic anarchy that the executive power exercises in the guise of "reforms."

We also state that strikes, as extraordinary protest measures resorted to by the working people against the antipopular policy pursued by the state, may lead to even greater destruction of the economy and of the social sphere, and as a consequence, to loss of Ukraine's economic independence.

In view of the above, the Supreme Council Socialist Faction demands that the Ukrainian president and government urgently change the course of the bankrupt socioeconomic policy and restore the mechanism for effective protection of interests of the working people in order to relieve social tensions and return people to their jobs.

We also insist that the Ukrainian president urgently appear at the Supreme Council with an out-of-turn economic report on the catastrophic situation, which has now taken shape in Ukraine and with a program for further revision of the course of the antipopular socioeconomic policy in a direction which will make it possible to overcome the economic devastation and to restore the standard of living of the working and underprivileged Ukraine to a level that will conform to the livelihood needs of a civilized person.

Belarus

Belarus: NATO Expansion Position Similar to Yugoslavia's

WS1402111696 Minsk BELAPAN in English
0720 GMT 14 Feb 96

[FBIS Transcribed Text] Members of the Belarusian government delegation that had visited Belgrade informed reporters at the February 12 press conference that discussing the problem of the would-be NATO eastward expansion with Yugoslav officials they had drawn a conclusion about a similarity in the positions of the governments of Belarus and the Federal Republic of Yugoslavia on this subject. But neither Deputy Prime Minister Leanid Sinitsyn, who headed the delegation, nor other members of it specified the degree of this similarity. That is why some observers insist that there is no reason for regarding the Federal Republic of Yugoslavia as an absolute ally of official Minsk with respect to questions concerning NATO expansion. Trying to explain why Yugoslavia comes out against NATO expansion, Belarusian Deputy Foreign Minister Ivan Antanovich said, "The North Atlantic Treaty bloc guarantees a nuclear umbrella for its member countries, and if this umbrella hangs over the Bug, not only the east of Europe but also its south will feel this threat."

Belarus: Prospective Cooperation With Yugoslavia Detailed

WS1402103396 Minsk BELAPAN in English
0720 GMT 14 Feb 96

[FBIS Transcribed Text] Familiarisation with the political and economic situation in Yugoslavia, and the study of the possibility of resumption of cooperation between Belarus and Yugoslavia, which was interrupted four years ago as a result of imposing sanctions against this country were the objectives of the visit of a Belarusian official delegation to this country, members of the delegation, Deputy Prime Minister Leanid Sinitsyn, Deputy Minister for Foreign Economic Relations Mikalay Leshchanka and Deputy Minister for Foreign Affairs Ivan Antanovich, told reporters at a press conference which took place on February 12.

According to Mr Sinitsyn, while the delegation stayed in Belgrade, questions concerning the establishment of mutual beneficial cooperation, its prospects and guidelines were subjects of negotiations with the Yugoslavian government. In his opinion, a visit of Yugoslavian President Zoran Lilic must heavily contribute to the establishment of large-scale relations. According to agreements reached in Belgrade, this visit is to take place on approximately March 6-8 this year.

Mr Sinitsyn also said that a package of 12 documents would have been ready by the arrival of Zoran Lilic in Minsk. Among these documents there will be a draft Treaty on Friendship and Cooperation, draft agreements on the mutual protection of investments, on cooperation in the field of transportation, air service, phytosanitation and veterinary medicine. A number of agreements on cooperation in the cultural and humanitarian sphere is also expected to be submitted for signing. In addition, Mr Sinitsyn hopes that the parties will manage to work out a draft agreement on the avoidance of double taxation before the Yugoslavian president's visit. In the future a Belarusian-Yugoslavian government commission will deal with drawing up joint documents and studying priority economic interests of the two countries. The decision on the forming of such a commission was made during the Belarusian delegation's stay in Belgrade.

Before the visit of the Yugoslavian president, or together with him, a delegation of Yugoslavian businessmen, directors of a number of industrial enterprises, representatives of the Yugoslavian chamber of industry and commerce and foreign ministry is to arrive in Belarus. The representatives of the foreign ministry will study the possibility of opening an embassy in Minsk. According to Mr Sinitsyn, the Yugoslavian government is highly interested in this. Speaking at the press conference Mr Leshchanka informed reporters that the Yugoslavian party displayed interest in the import of potash, nitric and phosphoric fertilizers, tractors heavy' dump-body trucks, saw-timber, the products of machine-tool, chemical and petrochemical industries. As for potash fertilizer, Yugoslavia is ready to purchase up to 1.5 million tons per year from the Belarusian production amalgamation. Apart the establishment of joint ventures, Belarus is offered synthetic materials, metal-cutting instruments, some raw materials, and a wide range of consumer goods, from linoleum to foodstuffs.

The Belarusian party expects that the organisation of cooperation at due level will lead to increase in trade turnover between the two countries up to some $100-150 million as early as this year. These figures are impressing if compared to $1.5 million last year. Together with the organisation of bilateral cooperation, and even to a greater degree, Belarus is interested in Yugoslavia as a springboard for the promotion of its products in the south of Europe via the Balkans. "Presence in the Balkans is a strategical interest of Belarus," Leanid Sinitsyn said. Yugoslavia appears to have a similar interest as it can use Belarus to began to exploit the opportunities for trade in the immense and potentially very rich CIS market.

Belarus: Chairman Decries Proposal To Scrap Constitutional Court

MK1402095696 Moscow NEZAVISIMAYA GAZETA in Russian 14 Feb 96 p 3

[Unattributed NEGA report]

[FBIS Translated Text] Commenting to a NEGA correspondent on a statement by the deputy speaker of the parliament of Belarus to the effect that it is necessary to scrap the Constitutional Court and transfer its functions to the Supreme Court, Valeriy Tikhinya, chairman of the Constitutional Court of the Republic of Belarus, stated that such a thing cannot happen. The question of the possible elimination of the Belarus Constitutional Court must be considered by parliament, and Valeriy Tikhinya expressed the hope that "parliament will have enough common sense not to go along with the president's shady enterprise." The Constitutional Court chairman also advised that a message on the state of constitutional legality in Belarus will be issued this week.

Moldova

Moldova: Security Increased To Counter Influx of Chechens

LD1302230996 Moscow NTV in Russian 1900 GMT 13 Feb 96

[Video report by Mikhail Osokin; from the "Segodnya" program]

[FBIS Translated Text] The events in Chechnya are resounding in the most diverse regions of the former USSR. Unusual news came in from Kishinev today.

[Correspondent] The influx of Chechen nationals into Moldova has increased. In connection with this, the law enforcement bodies of the republic are concerned over the growing danger of the spread of the Chechen conflict and of terrorist acts being carried out in the republic.

[Begin Fedor Sabiy recording, chief of criminal police department] In principle, probably the whole of Europe, and not just Europe is concerned. Therefore, we are working on the principle that it is better to prevent these acts of terrorism than to come up against them and to begin to work from the moment they are carried out. That is why we have taken certain measures to reinforce guarding facilities we consider to be important. [end recording]

[Correspondent] Moldova caught the attention of envoys from Chechnya earlier, too. Due to the Dnestr region conflict, the republic gained the firm reputation of a state where illegal arms trading is carried out. The Tiraspol connection was found in Yugoslavia, Abkhazia and, of course, in Chechnya. During the Dnestr republic conflict, the population obtained a huge number of weapons that had not been destroyed. The situation was complicated by the fact that recently the Dnestr region has begun to manufacture its own firearms.

[Begin Sabiy recording] It is difficult to reply to the question as to whether these weapons were manufactured for the internal armed conflict only, although it cannot be ruled out — and weapons are a business, a very profitable one — it cannot be ruled out that the weapons were manufactured with a view to selling them outside the Dnestr region. [end recording]

Moldova: Diacov Accuses Russian Duma of 'Dual Standard'

AU1402085596 Chisinau INFOTAG in English 1930 GMT 12 Feb 96

[FBIS Transcribed Text] Chisinau, February 12 (INFOTAG) — The Russian State Duma has once again demonstrated its striving for exercising pressure on conflict zones in the former Soviet Union by having used a dual standard with regard to its "own" conflicts and the ones taking place in other post-Soviet republics. Such an opinion has been stated in a press release of Dumitru Diacov, deputy chairman of the Moldovan Parliament, issued in response to Duma's statement of February 9 which tackled Tiraspol's appeal to the Russian Parliament.

Diacov writes that Duma's decision to recommend to the Moscow government to preserve the status of the Russian contingent in Dniester does not only undermines the Army Withdrawal Agreement, but also contradicts to the obligations assumed by Russia at its admission to the Council of Europe.

In Diacov's words, the Duma's assertions on, allegedly, the stabilizing role of the Russian troops in the rebel region contradict to the stance of Moldova, European countries, and, as far as one can guess, many politicians in Russia itself. "A foreign contingent deployed at another country's territory and having no legal status cannot play a stabilizing role," Diacov has stressed. The Duma's statement of last Friday demonstrates that some of its deputies are seeking to patronize over the Tiraspol regime, which fact may influence negatively the Dniester settlement negotiations. Dumitru Diacov is planning to meet with Duma top officials in near days, to speak with parliamentary groups in order to inform them on the true state of things in the region, and on the efforts being undertaken by the Moldovan leadership and Parliament to solve the Dniester dispute.

Moldova: Train With Russian Army Hardware Delayed in Tiraspol

LD1202213596 Moscow INTERFAX in English 1827 GMT 12 Feb 96

[FBIS Transcribed Text] TIRASPOL, Feb 12 (Interfax) — A train with Russian army hardware was delayed in Tiraspol Monday, the Russian command in Transdniester told Interfax.

Two trains with the hardware had been dispatched to Russia in late January in accordance with relevant Russian-Moldovan agreements.

However, the train earlier scheduled for Monday will leave some time later. The hardware is being prepared for shipment, and the Russian military will load it as soon as railway cars are available. They said they were ready to hand over part of the hardware to Moldovan officers, as agreed earlier.

The Russian and Moldovan military split over the handover some time ago.

Moldovan officers insist that the Russian military are to deliver the hardware wherever they say. For its part, the Russian command argues that the Moldovan Defense Ministry should come to accept it.

The differences resulted in discrepancies in the train schedule.

At present, Moldovan government officials are talking to the Russian military, trying to reach a compromise decision, government sources told Interfax. The next train with Russian hardware is expected to leave for Russia by this weekend.

Kazakhstan

Kazakhstan: Foreign Minister Tokayev Meets PRC President

LD1402093096 Moscow ITAR-TASS in English 0639 GMT 14 Feb 96

[By Marat Abulkhatin]

[FBIS Transcribed Text] BEIJING, February 14 (Itar-Tass) — China will firmly and consistently pursue a policy of "friendly neighbourhood and cooperation" with Kazakhstan and other neighbouring countries, Chairman of the People's Republic of China Jiang Zemin said here during his meeting with Kazakh Foreign Minister Qasymzhomart Toqayev.

Jiang Zemin pointed as well to the importance of regular summit meetings. He stressed in this connection that last year's visit of Kazakh President Nursultan Nazarbayev to China "was a success: it gave a new impetus to the development and deepening of bilateral relations and cooperation."

The Chinese leader praised the bilateral agreement on the Kazakh-Chinese border, which came into force in September 1995. The agreement is promoting peace and stability on the border, as well as the expansion of trade and economic relations, he stressed.

According to reliable sources, both Jiang Zemin and Toqayev expressed interest in taking joint steps for ensuring peace and stability in Central Asia and the Asia-Pacific Region and in working out together a mechanism for holding political consultations between the two countries.

Kazakhstan: Oman Continues To Support Caspian Pipeline Consortium

LD1202213296 Moscow INTERFAX in English 1827 GMT 12 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 12 (PIA-Interfax) — Oman continues to provide active state, financial and technical support to the Caspian Pipeline Consortium (KTK), KTK General Director Edward Smith told Interfax's Petroleum Information Agency in a press release issued on Monday.

Smith described as a mistake the earlier statement by Kazakh Prime Minister Akezhan Qazhygeldin that all Oman representatives had left the KTK Board of Directors. Qazhygeldin said the old KTK would be substituted by a "renovated" KTK-2.

According to Smith, the Almaty statement creates the impression that Oman is abandoning KTK leadership and the new consortium would be headed by the U.S. Chevron company, without Oman's participation.

"It has nothing to do with reality," said Smith. "On the contrary, Oman reiterated its intention this year to participate in the project, by delegating some of its senior officials to the KTK Board of Directors. This decision confirms Oman's desire to further participate in the consortium," he said.

The KTK consortium was set up on June 17, 1992, by the governments of Kazakhstan and Oman for the construction and exploitation of an export trunk oil pipeline from the Tengiz oil field in western Kazakhstan to the port of Novorossiisk, on the Russian Black Sea Coast. Russia signed a protocol on joining the Agreement on the KTK in July, 1992, and ratified it on July 30, 1993.

Turkmenistan

Turkmenistan: President Received by Turkish Premier

LD1302180896 Ashgabat TURKMEN PRESS in Russian 1100 GMT 13 Feb 96

[FBIS Translated Excerpt] Ankara, 12 February [date as received] (TURKMEN PRESS) — The official part of the visit by Turkmen President Saparmurad Niyazov to Turkey began on 12 February. The head of Turkmenistan arrived in Ankara from Istanbul, where he had undergone a medical examination.

At the airport of the capital of Turkey, Saparmurad Niyazov was met by Turkish President Suleyman Demirel. All due ceremonial honors were paid to the president of Turkmenistan.

A wide range of issues concerning the development of bilateral mutual advantageous relations was discussed at the talks between the heads of the two countries the same day. A number of documents providing for further implementation of cooperation were signed.

Saparmurad Niyazov met Turkish Prime Minister Tansu Ciller and Foreign Affairs Minister Deniz Baykal the same day.

The Turkmen-Turkish Business Council convened in Istanbul at the Bosporus Hotel conference hall on 11 February, at which Saparmurad Niyazov confirmed that Turkish businessmen enjoy a high reputation and confidence in Turkmenistan, and gave a positive assessment to bilateral relations. [passage omitted]

Turkmenistan: President Decrees Changes in Defense, Security Council

LD1302172996 Ashgabat NEYTRALNYY TURKMENISTAN in Russian 3 Feb 96 p 2 (tentative)

[FBIS Translated Text] Decree of the President of Turkmenistan on Changing the Composition of the Council of Defense and National Security of Turkmenistan:

Changes to the composition of the Council of Defense and National Security of Turkmenistan, which was confirmed by Decree of the President of Turkmenistan on 25 March 1994 No. 1199 "On Establishing the Council of Defense and National Security of Turkmenistan," in line with the annex.

[Signed] Saparmurad Atayevich [Niyazov], president of the Republic of Turkmenistan, Ashgabat, 2 February 1996; Annex to the Decree of the President of Turkmenistan of 2 February 1996:

The composition of the Council of Defense and National Security of Turkmenistan:

Saparmurad A. Niyazov — president of Turkmenistan, supreme commander in chief of the Armed Forces of Turkmenistan, army general, chairman of the Council of Defense and National Security of Turkmenistan;
Batyr K. Sarjayev — deputy chairman of the Cabinet of Ministers of Turkmenistan, deputy chairman of the Council of Defense and National Security of Turkmenistan;
Dzhumageldy Amansakhatov — the head of Akhal Region;
B. Ashyraliyev [name as transliterated] — prosecutor general of Turkmenistan;
A. Kabulov — commander of the border troops of Turkmenistan;
Gurbanmukhammet Kasymov — minister of Internal Affairs of Turkmenistan;
Dangatar Kopekov — minister of Defense of Turkmenistan;
Sapargeldy Motayev — head of Tashauz Region;
P. Odeyev [name as transliterated] — head of Lebap Region;
N.O. Orazmuhamedov [name as transliterated] — head of Ashgabat City;
Gurban M. Orazov — head of Mary Region;
Rejepmammet Puhanov — head of Balkan Region;
Saparmyrad Seydov — chairman of the Committee for National Security of Turkmenistan;
Tagandurdy Khallyyev — minister of Justice of Turkmenistan;
Boris O. Shikhmyradov — deputy chairman of the Cabinet of Ministers of Turkmenistan, minister of Foreign Affairs of Turkmenistan.

Armenia

Armenia: Turkish President's Message on Karabakh Noted

NC1302212596 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1000 GMT 13 Feb 96

[FBIS Transcribed Text] Yerevan ("Azg" daily), 02/13/96 — Special Envoy of Turkish President Suleyman Demirel Mr. Ayhan Kamel has yesterday arrived in Yerevan, and had a lasting meeting with the Armenian President Levon Ter-Petrosyan. The President and Turkish envoy exchanged opinions about resolution of the Kharabakh conflict, touched the problem of further development of Armenia-Turkey relations.

As we have already reported, Turkish envoy arrived to deliver Suleyman Demirel's message to the presidents of Azerbaijan and Armenia. Presidential spokesperson Levon Zurabyan reported that in his message Turkish President appeals to accelerate and deepen the process of resolution of the Kharabakh conflict. Demirel also writes that he will support both many-sided and direct negotiations between the sides of the conflict.

Mr. Zurabyan said he is unable to predict whether President Ter-Petrosyan will respond to the message of his Turkish counterpart, or not, since the message still needs to be investigated.

Armenia: President To Study Turkish Offer To Provide Assistance

LD1302232096 Moscow INTERFAX in English 1929 GMT 13 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Yerevan, Feb 13 (Interfax) — Turkey calls on Armenia to work more actively for establishing peace in the region and is prepared to provide its assistance in the resolution of the Nagorno-Karabakh crisis, Turkish President Suleyman Demirel said in a message to Armenian President Levon Ter-Petrosyan.

Armenian presidential spokesman Levon Zurabyan told journalists Monday that "the message requires thorough studying."

Independent observers in Yerevan believe that the Demirel's initiative owes to Turkey's desire to assume a more active stand in further talks on Nagorno-Karabakh.

Armenia: Views of 'Former U.S. State Department Official'

NC1402093796 Yerevan Radio Yerevan International Service in Armenian 2000 GMT 13 Feb 96

[FBIS Translated Text] AZG, LRAGIR OR, LRAGIR, and HAYK today refer to the interview given to Radio Liberty by Paul Gobel, a former U.S. State Department official and politician.

LRAGIR OR and AZG publish the interview in full.

The American politician is planning to pay an unofficial visit to the three Transcaucasian republics toward the end of February.

Paul Gobel has concluded that the Karabakh problem could be solved by the exchange of territory.

We now highlight an excerpt from the interview:

[Radio Liberty] Will Karabakh continue to be used as a potential source of conflict even if Russia returns to the region?

[Gobel] We should not say if it returns; the Russians have returned. There are Russian troops in all 12 CIS countries. I believe there is a wide arena for political games in Transcaucasia. Joseph Stalin was devilish. But he was also a political genius, creating an ethnic system that ensured constant conflict. Instead of cutting each other's throats, the Armenians and Azerbaijanis should see what common interests they have against the external forces. Regrettably, I do not see the international community moving toward a peace by which Karabakh could become part of Armenia by means of a wider corridor than the 20-km Lachin corridor. Corresponding adjustments should also be made to give something to Azerbaijan in return. I think Karabakh should belong to Armenia I have always thought so. But I also think it cannot be done in isolation.

LRAGIR, LRAGIR OR, and ARAVOT publish a joint declaration by the Artsakh-Hayastan [Karabakh-Armenia] Public-Political Organization, Scientific-Industrial and Civil Union of Armenia, Armenian Democratic Party, and the Armenian Communist Party.

The declaration says recent developments in the Karabakh problem as well as statements by the highest and high-ranking foreign officials, statements that have gone unanswered by official Yerevan, clearly demonstrate that the basic purpose of the so-called Major Political Agreement being outlined during the talks is gradually to restore Azerbaijan's suzerainty over Nagorno-Karabakh, something that would inevitably depopulate Karabakh of its Armenians. There is an attempt to ignore that, back in 1991, the people of Nagorno- Karabakh, in a referendum, realized their right to self- determination in compliance with international law and legislative acts in force in the Soviet Union and thus established the sovereign Nagorno-Karabakh Republic [NKR].

The authors of the declaration called on the Armenian authorities to prove by deed their repetitively declared readiness to defend the NKR people's right to self-determination and establish close interstate federal relations in keeping with an appeal by the NKR Supreme Soviet on 6 January 1992.

This and various other issues were broached by the Republic's papers today.

Armenia: Communists Want Karabakh's 'Unconditional Recognition'

NC1302133696 Yerevan NOYAN TAPAN in English 0600 GMT 12 Feb 96

[FBIS Transcribed Text] Yerevan, February 12, (NOYAN TAPAN)— "Communist Party of Armenia is not going to turn the Karabakh problem into a subject for political speculations", CPA's [Communist Party of Armenia] leader Sergey Badalyan said at a February 8 press conference. Communist Party's position for Karabakh is the following: This problem is the most urgent for Armenian people and can be solved on condition that people's right to self-determination is observed. According to Sergey Badalyan, Communist Party of Armenia speaks out for unconditional recognition of Karabakh as a de facto state.

Armenia: Official: Azerbaijan Has No 'Rights' to Karabakh

NC1402112196 Yerevan NOYAN TAPAN in English 1447 GMT 12 Feb 96

[FBIS Transcribed Text] Yerevan, February 13 (Noyan Tapan) — "It is OSCE Minsk group's prerogative to determine the status of Mountainous Karabakh, and any statement on this issue is of purely propagandist nature and therefore is not always well weighed",- Vasili Atajanyan, Chairman of the Karabakh Parliament's Foreign Commission said. Karabakh's stand on this issue is quite clear and is based on Karabakh population's will expressed in 1991 referendum on declaration of Karabakh's independence, he said. According to Atajanian, this decision reflects not only the long-cherished desire of the Karabakh people to be independent, but is also based on the legislation which allowed former Soviet republics to secede from the USSR. He noted that historically Mountainous Karabakh has never been a part of Azerbaijan. Besides, current Azeri leadership declared itself a successor of the 1918-20 Republic, which at that time did not include Karabakh territory. Consequently, Mr. Atajanyan said, Azerbaijan has neither legal nor moral rights to Karabakh.

"Attempts to view the Karabakh problem as the violation of Azerbaijan's territorial integrity are completely groundless. Our relations with Azerbaijan and other countries should be horizontal. They should be based on principles which exclude dominance of one nation over another",- Mr. Atajanyan said.

Azerbaijan

Azerbaijan: Russian Border Service Director Visits

NC1302134696 Baku TURAN in English 1329 GMT 12 Feb 96

[FBIS Transcribed Text] Baku/12.02.96/TURAN—As it has been reported, commander of federal border service of the Russian Federation General-Colonel Andrey Nikolayev is to pay one-day visit to Baku. It is expected that at the negotiations in Baku Russia is going to bring up the question on illegal transit of arms and commandos to Chechnya from Azerbaijan, according to sources in the Federal Border Service (FBS). At the same time Baku at all levels refutes such accusations.

Russia has already started reinforcing of its frontiers with Azerbaijan. In particular, they increase the number of border contingent and military technics at the territory of neigbouring Dagestan.

Operation "Border" is being carried out presently, journalists were told by Gennadiy Grigoryevskiy, commander of border troops of Russian Federation in Dagestan. The operation provides increase of forces and another means by Russian bordermen in this direction, i.e. part of border with Azerbaijan.

According to a high-ranking source in the FBS, Moscow takes these measures for establishment of tough regime in the Azeri part of border and to exclude cases of control-less entering Russia through Dagestan.

According to unofficial sources, Russian special services are going to strengthen intelligence at the territory of Dagestan and to start it in Azerbaijan for finding out channels and connections of Jokhar Dudayev. At the same time Russian officials decline that Moscow has such plans.

Azerbaijan: National Assembly Ratifies International Oil Deal

LD1302140196 Moscow ITAR-TASS World Service in Russian 1225 GMT 13 Feb 96

[By ITAR-TASS correspondent Sevindzh Abdullayeva]

[FBIS Translated Text] Baku, 13 Feb — A contract for the joint development of the Karabakh oilfield in the Azerbaijan sector of the Caspian Sea has been ratified today by the Azerbaijan parliament. The overwhelming majority of deputies voted in favor of the document being granted the status of the law.

The international contract on the development of the Karabakh oilfield, which are estimated between 60 and 150 million tonnes of crude oil, was signed on 10 November 1995. In accordance with the document signed for a 25-year term, the participant parties in the project will share investment as follows: Russian company LUKoil — 32.5 percent; American Pennzoil - 30 percent; Italian Agip — 30 percent; and the Azerbaijan state oil company — 7.5 percent. The latter is to receive the largest share of profits from the sale of oil being pumped from the deposit — approximately 60-70 percent.

Azerbaijan: Deputies Oppose Ratification of Contract on Oil Field

NC1302214896 Baku TURAN in English 1548 GMT 13 Feb 96

[FBIS Transcribed Text] Baku/13.02.96/TURAN — By 90 votes "for", 6 votes against and 1 "abstained" the Milli Mejlis [National Assembly] of Azerbaijan ratified today the contract for the development of "Karabakh" oil field in the Azeri sector of the Caspian sea.

At the same time, a group of deputies opposed ratification of the contract in its present form. Thus, Rza Ibadov noted that SOCAR [State Oil Company of Azerbaijan] must prepare "oil conception of the country" in which oil policy of Azerbaijan should be reflected and the contracts which are signed are to be in conformity with this conception.

Deputy Fikret Ismailov told the contract did not have ecological passport and it cannot be ratified in that form.

According to deputy Sofig Guseynov the contract did not provide broad participation of petrochemical and machinery fields of Azerbaijan while the development of this field. Without corresponding correctives, the contract should not be ratified," [no opening quotation mark as received] he said.

Deputy Oruj Mamedov noted that while implementation of the contract the preference should be given to oil equipment of Azerbaijan.

Deputy Shamil Gurbanov doubted the necessity of producing of such a great quantity of oil. According to him, with the population totalling 7.5 million Azerbaijan uses more than 8 million tons. In Turkey this data total 60 million people and 24 million tons of oil respectively. According to him, these data mean controlless taking out of oil from Azerbaijan [sentence as received].

Deputy Sirus Tebrizli threatened oil magnates "by punishment on the part of people as they will raise one day and will break 'Mersedes'es [as received] and villas of rich men." He proposed to set up a deputy group for control over the use of natural resources of the country.

Deputy Party PFA [People's Front of Azerbaijan] Ali Kerimov sharply opposed the contract and called it "too unprofitable." According to him, Party PFA supported signing of the contract for development of Azeri-Chirag-Guneshli oil fields so that profit from the development allow Azerbaijan to develop the rest oil fields independently. He also said that the capacity of the oil industry of Azerbaijan allow to process only 22 million tons a year, however by the year 2000 oil production will reach 40 million tons a year. "That means that we will turn into raw material appendix of other countries," Kerimov said. He added that his party opposed this contract "which does not give any political profit to Azerbaijan." According to him, participation of "LUKoil" company in the previous contract did not make any good to the resolution of the Armenian- Azeri conflict and did not change the position of Moscow in the question concerning the status of the Caspian sea. "That means we have made one-sided concession and participation of "LUKoil" in this contract is inadmissible," Ali Kerimov said.

Deputy Etibar Mamedov told the contract provided setting up a new joint company, but it is not noted who will enter this company. That is why Mamedov proposed to delete this point from the contract. Etibar Mamedov called "humiliating" the point according to which the contract is an act standing above all laws of Azerbaijan.

Responding the questions of deputies speaker Rasul Guliyev said the "contract was good according to many indices. In particular, participation of the largest oil companies in the contract is a passport for future political stability in Azerbaijan." According to him, participation of oil gigants in the project guarantees flow of investments and western businessmen to Azerbaijan. He also said that the profit will be used for the development of other fields of industry of the country.

The contract was presented for viting without making any changes or amendments. After ratification by the Milli Mejlis it assumed the force of law.

* Capital investments to "Karabakh" oil field will total 1 billion 700 million dollars and additional one billion 300 million dollars will be operation expenses.

Total bonus to be paid by all companies for participation in the contract is approximately $135 millions.

Share of oil companies in the project is as follows: 7.5 percent — SOCAR and "LUKoil", 5 percent — Agip, 30 percent — Pennzoil, 50 percent — joint venture "LUKoil-Agip."

Structure of "Karabakh" is located in the northern zone of Absheron archipelago 120 kiolometres to the east from Baku and 23 kilometres to the north of "Azeri" field. The dimensions of structure total 15x3 kilometres. Collectors lay on the depth 3,300- 4,200 metres.

The structure was found in 1965 as a result of seismic-exploration works by Azeri specialists.

Georgia

Georgia: Shevardnadze, Russian Official Discuss Chechen Border

LD1302211796 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 13 Feb 96

[From the "Vremya" newscast]

[FBIS Translated Text] Andrey Nikolayev, director of Russia's federal border service, arrived on a working visit in Tbilisi today. He had a meeting with Valeri Chkheidze, commander of Georgia's border troops, and President Eduard Shevardnadze. There was discussion of joint protection of the border and also of coordinated actions to isolate the separatist regime of Abkhazia on the basis of the decisions adopted by the CIS heads on 19 January in Moscow. The question of the protection of the Georgian-Chechen border was the subject of a separate discussion.

Georgia: German Foreign Minister's 25 Jan Parliament Address

AU1302145696 Tbilisi KAVKASIONI in Georgian 25 Jan 96 p 1

["Speech by Klaus Kinkel, German foreign minister and vice chancellor, to the Plenary Session of the Georgian Parliament in Tbilisi on 24 January"]

[FBIS Translated Text] Dear Mr. Chairman! Dear members of Parliament! Ladies and gentlemen!

It is a great honor for me to be Germany's first foreign minister to address the Parliament of an independent and free Georgia.

I arrived as a friend of Georgia and you received me as a friend. I thank you very much!

Following the parliamentary and presidential elections that were held in November, Georgia has established its worthy place among the democratic countries of the world! This fills Georgia and its citizens with new hope! My visit is a mark of respect for that marvelous achievement in the history of your country!

Ladies and gentlemen!

German-Georgian friendship goes back centuries. Wine-growing peasants from Reutlingen, Swabia, near where I was born, set out for Georgia 170 years ago to seek their fortune. They became friends and citizens of Georgia. The sunshine and the wine reminded them of their homeland.

Georgia is a splendid corner of the earth! The beauty of the land of Rustaveli and its ancient culture has always captivated us Germans. As proof of this, we need only mention Goethe and Andreas Gryphius.

Christianity was declared the state religion in Georgia some 1,700 years ago, at the beginning of the fourth century. It was only recently that we celebrated Christmas that once again reminds us of the Christian principle: "Peace on earth!" Peace, hope of which we have in former Yugoslavia. Peace that was victorious in South Africa, the Near East, and Northern Ireland. This peace should also be established here, in your country.

It is precisely you parliamentarians who are responsible for filling the chasm of fear and mistrust in the Caucasus, the "mountainscape of languages." Therefore, there is no better place than a freely elected parliament in which to tell you, my friends, directly what I think of Georgia and the Transcaucasus.

I am myself a member of Germany's Bundestag. In the presence of my colleagues, I state here with full responsibility: Parliament should be the conscience of the nation. It is precisely here that people's hopes and concerns are concentrated. It is here that the culture of political debate and the search for compromises and the art of implementing them in practical politics should be improved.

I know in what difficult conditions you are working. My parliament, the first German Bundestag, began its work in cold rooms equipped with just a few telephones and typewriters. From our current vantage point, these unfavorable conditions seem insignificant. The main thing was to have felt that a decisive start had been made and I can also feel this mood here.

You members of Parliament are the architects and builders of a new Georgia. By assuming responsibility for the future of Georgia, you are strengthening the readiness of citizens to participate in the implementation of necessary reforms in spite of the fact that these reforms are painful and require considerable time and strength.

From experience acquired in East Germany, I know how difficult it is for a politician in this situation to appear before electors and reassure them, particularly as you cannot always receive praise in return. In Georgia, the situation is incomparably more difficult. Therefore, it is so important for me to speak to you in person. I want to reassure you today! Do not slow down reforms! Show everyone that the Georgian model works.

As foreign minister and as a member of parliament, I am offering you Germany's assistance. Cooperation between our parliaments is an important basis for our relations. It serves the stabilization of democracy. Use the interest of the German-Caucasian parliamentary group in Germany's Bundestag. Several of my parliamentary colleagues are here with me. They are friends of Georgia and other countries in the Transcaucasus.

The new political reality — a democratically elected president and a democratically elected parliament — provides Georgia with a big chance to take decisive political and economic steps over the next five years. Use this chance for the good of your homeland. Georgia needs constructive cooperation between Parliament, the president, and all political forces that show goodwill.

Ladies and gentlemen!

The Caucasus, as a geopolitical bridge between Europe and Asia, has great importance for stability in the whole of Europe and the neighboring Islamic world. The interests of the Caucasian states are closely linked with the current field of tension between Russia, Turkey, and Iran. The conflicts here also threaten our security. Abkhazia, South Ossetia, Nagornyy Karabakh, and Chechnya are proof of this. In contrast, peace, if it is achieved, will shed light on more questions than resolve conflicts directly.

Georgia got back its independence in 1991. Germany was the first to recognize it and the first to support it. Germany is grateful to your president.

The march to freedom has cost Georgia many lives. The terrible pictures of the civil war and the war in Abkhazia remain with us still. I mourn these victims along with you.

Following many years of internal discord, Georgia is beginning everything anew. One must not be imprisoned by the image of the historical enemy either internally or externally. How many sins did Germany commit during World War II? Nevertheless, there was reconciliation with former enemies. We extended our hand to one another and became friends and partners! The people in the Caucasus should also rid themselves of their old enmities. Once, an old experienced colleague told me in the Bundestag: "As a deputy, I have viewed mediation, harmony, and reconciliation to be my duty." He continued: "If peace arises between people and nations, I am even ready to go to hell and speak with the devil." Break your silence — Georgia will thank you! This is what happened in Sarajevo and Mostar. The old images of the enemy are felt everywhere to this day. It is only through dialogue that they can be overcome. The people there have the hope that they will return to their homeland and live without violence and have food and a warm home. The seed of such fresh hope should be planted for the suffering people of the Caucasus as well and should bear fruit. Germany, Europe, and the OSCE [Organization for Security and Cooperation in Europe] will help you in this. Germany belongs to that group of "friends of Georgia" in the UN in New York and not only there — that is trying to settle the Abkhazian conflict.

Russia's position acquires particular importance in this matter, first and foremost, for the restoration of Georgia's jurisdiction over Abkhazia.

We insist that the sides use every chance for a peaceful settlement of the conflict. I have just been speaking with German blue helmets who are members of the mission of UN observers and are monitoring the cease-fire agreement between the Georgians and Abkhazians. They are also supplying hospitals with medicines, especially in Gali and Zugdidi.

The OSCE mission in Georgia, under Germany's leadership, along with Russia and the sides involved, is trying to resolve the conflict in South Ossetia by means of negotiations. In my view, this is particular proof of trust.

To achieve peace in Abkhazia and South Ossetia, I appeal from this podium to the Georgian leadership and all sides: Discuss all issues with goodwill. Georgia's sovereignty and territorial integrity should be protected within the borders recognized by the international community. All those who dream of an independent Abkhazia or South Ossetia should realize how unrealistic this desire is. However, there exists a whole range of views concerning possibilities for resolving the problem, protecting minorities, and variants of autonomies.

We welcome President Shevardnadze's declared readiness to engage in negotiations. All the sides should join them! Such an action will have the importance of a signal for the whole region. People, including the 300,000 refugees, take priority. We are trying to express our great sympathy for them through humanitarian aid. We support all peaceful means of returning them to their native homes.

Germany is a member of the so-called OSCE "Minsk Group" that is trying to settle the Nagornyy Karabakh conflict. At our invitation, the group held talks in Bonn at the end of November and certain progress was made.

However, no matter what efforts we make, no matter what efforts other countries make, it is the will of those involved in the conflict that is decisive. As a neutral partner, I have told the presidents and foreign ministers in Baku and Yerevan that peace can be achieved only if there is really a willingness to make progress through negotiations.

People are tired of war and suffering. It is precisely the human yardstick that we should use when gauging the situation and not fanatics whom every side has.

International peace forums take care that the rights of not a single side are violated and that the legal bases of the UN and the OSCE are protected.

Ladies and gentlemen!

It is a great honor for me that Georgia wishes to have a particularly close partnership with Germany. My visits to Georgia and your neighboring countries show the great importance that we attach to the Caucasian states. It is our wish to help you both in word and deed. However, we will probably not be able to live up to all expectations. The processes of democratization and the construction of a rule-of-law state should be implemented in parallel. I say this from my own experience as former justice minister. It is essential to conduct comprehensive legal reforms and form independent courts. I have a concrete proposal to put to you. My electoral district, dear colleagues, is Karlsruhe that is the German "legal residence." Germany's supreme constitutional court and other important courts are located there. It has the biggest legal library in Europe. I would like to address those members of the Parliament commission who are working on the creation of Georgia's new constitutional court: Come to Karlsruhe! Speak with your German colleagues. All doors are open to you in my electoral district! Such a visit would be a continuation of good traditions.

German lawyers and experts are participating in the preparation of reforms being implemented by you in civic, commercial, and economic law. By creating a legal basis, Georgia will achieve the level of high European standards and will draw closer still to Europe.

Human and civic rights in Europe and especially Germany represent an important measure of public opinion. Your citizens should feel in their daily life that human rights and basic freedoms established in the new Constitution are being implemented in practice. Each citizen should demand that his rights be protected with the hope that this is really the case. The appointment of an authorized representative for the protection of human rights by President Shevardnadze is a hopeful step.

It is essential to carry out reforms in the way trials are conducted and sentences served. We know that the entire population is in a difficult situation and is being inadequately supplied with goods and electricity. In spite of this, it is essential to improve the conditions of prisoners. International organizations and the UN, to whose service for the protection of human rights we are making our contribution, are ready to help you.

Ladies and gentlemen!

Politics and the law place vital demands before us, although the success of reforms is decided by whether people can feel their good results or not. The next big package of reforms should deal with changing the structure of the economic system. Germany has provided aid to Georgia to the value of approximately 90 million German marks [DM]. To this one can add approximately DM170 million that is Germany's contribution to the aid provided by the EU to Georgia. The process of state cooperation, first and foremost, with Georgia is already under way. Germany is aiding Georgia in the field of agriculture and the energy sphere. However, the principal driving force that ensures economic development is the private economy. I am accompanied by a group of German entrepreneurs who are interested in your region. Our ties in the commercial sphere are still at the initial stage. So, even greater importance is attached to success in this branch. German firms are showing an interest in such projects that envisage the creation of an infrastructure — the construction and reconstruction of railways and highways and also seaports and airports. Conditions are needed to attract foreign investors! Our agreement on the protection of investments creates an important basis for mutual trust. The question of creating state guarantees is currently being prepared for German investments in Georgia and Armenia and Azerbaijan.

It is not only Azerbaijan and its oil that attracts the attention of our economy. Both Georgia and Armenia have great potential: agriculture, the processing industry, but, first and foremost, the most valuable human resources and the long traditions of science. Use this great treasure!

Ladies and gentlemen!

Regional cooperation is no less important in contributing to the development of the economy. On the basis of Germany's experience in the EU, I can tell you that it is extremely advantageous for Germany. Couldn't the Transcaucasian region create a model of its own, one which suits and is acceptable to it alone? This would bind the neighboring countries even more closely together not only economically but also politically. Those who cooperate with one another economically do not wage war with one another!

The creation of a "transport corridor" between the Caspian and Black Sea will be very useful for Georgia. The fact that an oil pipeline to the West will run through Georgia as well as Russia is a hopeful sign. The towns of Poti, Batumi, and later even Sukhumi too can become key transportation points to western Europe.

Ladies and gentlemen!

The basis for German-Georgian friendship is being firmly laid! As a friend of Georgia, I can tell you today: The main thing is not only what potential we have but also how we use it!

As far as I know, the name of your city is connected with the word "warm", "warm springs." Transfer the root of this beautiful name to the sphere of coexistence between politics and people! Let Georgia become the "warm spring" of peace and reconciliation in the entire region. In this sense, let us continue our cooperation in the future for the development of Georgia and for the peaceful future of the Caucasus!

Cheers to German-Georgian friendship!

Estonia

Estonia: Kallas Discusses Visit to Ukraine, Relations With Belarus

LD1202151396 Tallinn Radio Tallinn Network in Estonian 1820 GMT 11 Feb 96

[FBIS Translated Excerpt] This station is continuing with "On Week's Nerve" and in today's program we will speak about the visit of Estonian Foreign Minister Siim Kallas to Ukraine [passage omitted]

[Begin Kallas recording] What the Ukrainian leaders very much emphasized, and what one should clearly regard as being very wise, was that one should under no circumstances halt relations with Belarus. They said that there are very complicated processes going on in Belarus. Belarus puts very much hope, this is very interesting information, very much hope on nearly returning to the former Soviet Union, thinking that this would save it from economic difficulties but the disappointment from this is already very big. These expectations have not materialized and, therefore, the situation in Belarus is far from being as clearly defined as it may seem. In this context the message from the Ukrainian leaders was that, under no circumstances, should Estonia write off Belarus as a strange state which has given up its independence. This is far from being the case. [end recording]

Estonia: Prime Minister on 'Minorities' Gaining Citizenship

WS1302135296 Tallinn ETA in English 2027 GMT 12 Feb 96

["News Release"]

[FBIS Transcribed Text] Tallinn, February 12 — Estonian government's main priority as to national minorities is to grant them a free choice in determining their citizenship, Estonian Prime Minister Tiit Vahi told the parliament on Monday.

Vahi said that the government does not consider it necessary to influence national minorities to adopt the citizenship of one or another state and the government has not done it. All non-Estonians who live in Estonia have a right of free choice as to determining their citizenship, Vahi stressed.

Vahi said that the government wishes the foreigners living in Estonia to integrate into the Estonian society but the representatives of the national minorities must wish it themselves too, following at the same time Estonian legislation.

Vahi also refuted accusations that after the new citizenship law came in force, granting Estonian citizenship to non-Estonians has been considerably limited.

Vahi said that language exams, based on the new citizenship law, were started on November 21 last year. Since then 313 persons have applied to go through with the language exam and 562 with the exam on Estonian constitution. 85-87 per cent of those people have passed the exam successfully which proves that passing the exams is not impossible nor complicated, Vahi added.

Latvia

Latvia: Primakov Thanks Riga for Supporting Russia's CE Entry

WS1402103196 Tallinn BNS in English 1741 GMT 13 Feb 96

[FBIS Transcribed Text] Riga, Feb 13 — Russian Foreign Minister Yevgeniy Primakov has thanked the Latvian government for supporting his country's admission to the Council of Europe [CE].

The message of thanks was submitted to Latvian Foreign Minister Valdis Birkavs by Russian Ambassador Alexander Rannikh.

The positive decision of the CE gives a constructive contribution to the building of a new Europe and provides a positive assessment of processes of transformation in Russia, said Rannikh.

Governments of the CE member countries have confirmed that they do not accept "any division lines" in Europe, said the ambassador.

The Russian government stands ready to cooperate with Latvia in the framework of the CE and other international bodies and to improve bilateral relations, he noted.

As reported, the CE Committee of Ministers admitted Russia to the organization on Feb. 16.

Latvia: Ulmanis Objects to Statement by Cultural Figures

LD1302224496 Riga Radio Riga International in English 2130 GMT 13 Feb 96

[FBIS Transcribed Text] On Tuesday [13 February] Latvian President Guntis Ulmanis, speaking on a live radio broadcast, condemned the recent statement signed by several well-known Latvian cultural workers that (?was caused due to state of) Latvian mistreatment of national minorities. Ulmanis called the statement a dirty political game. He said the facts mentioned in the statement were misrepresented to prove that Latvia had an anti-democratic state system. Ulmanis said it was an unsubstantiated offense to the Latvian nation, which has gone through genocide itself. The statement was issued last week by 13 cultural workers and was published in all largest newspapers in Latvia. It accused the Latvian authorities of ignoring the interests of national minorities.

Latvia: Skele: Draft Budget Falls Short of IMF Demands

LD1302205696 Moscow INTERFAX in English 1830 GMT 13 Feb 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Prime Minister Andris Skele believes the bill on a 1996 budget falls short of an IMF demand for the maximum deficit limit, Skele has reported at a news conference in Riga.

The bill sets the budget deficit at 59.4 mln [million] lats or $110 mln, even though IMF wants to be under 40 mln lats, Skele said, adding that his government will negotiate with IMF officials the size of the bill envisaged budget.

In regard to proposed social spending, he noted that although the bill has been worked out along strict economy lines, the government plans to boost minimum wages, pensions, and social benefits already next month.

Earlier, the parliament passed the bill in the first reading. The conclusive second reading is due on February 15th.

Lithuania

Lithuania: Moscow Thanks Vilnius for Council of Europe Support

LD1402121696 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 14 Feb 96

[FBIS Translated Text] Russian Foreign Minister Yevgeniy Primakov expressed his gratitude to the Lithuanian Government for the support during the process of Russia's admittance to the Council of Europe. Primakov's letter to this effect was handed to the Lithuanian Deputy Foreign Minister Albinas Januska by Nikolay Obertyshev, the Russian ambassador to Vilnius.

Obertyshev believes that admitting Russia to the Council of Europe should be viewed as recognizing the fact that democratic reforms in Russia are irreversible.

Januska said that Russia's admittance to the Council of Europe would help solving a number of problems in a positive manner.

At the meeting between Januska and Obertyshev, opinions were also exchanged about bilateral relations between Lithuania and Russia. Both countries expressed quite different views on a possibility to open the Russian consulate general in Kaunas and on compensation for the damage that had been caused to Lithuania by the Soviet occupation, BNS reported.

Lithuania: President Sets Tasks for New Cabinet of Ministers

LD1302214796 Vilnius Radio Vilnius in English 2000 GMT 13 Feb 96

[FBIS Transcribed Text] On Tuesday [13 February] President Algirdas Brazauskas officially recommended the parliament to consider the candidature of acting Prime Minister and Minister of Government's Reforms and Municipalities, Mindaugas Stankevicius, to the post of prime minister.

He also nominated Finance Minister Reinoldijus Sarkinas to be approved as the chairman of the Bank of Lithuania.

Referring to problems which the new Government of Lithuania will have to face, the president stressed the need to form an optimal tax system which would promote production and help to increase budget revenue.

The president also said it was imperative to devote more attention to investment, therefore the new government should encourage foreign investment by granting more favorable terms.

On the issue of banks President Brazauskas urged parliament to hurry up with the appointment of their leading official so that the banking problems could be resolved sooner. We must calm down the Lithuanian society and take measures to maintain the stability of the banks which had not been hit by the crisis, said President Brazauskas. He underscored that there was no reason for panic.

Lithuania: Opposition Divided on New PM Candidate

LD1302220496 Vilnius Radio Vilnius in English/International Service in Lithuanian 2000 GMT 13 Feb 96

[FBIS Translated Text] The four-strong Nationalist Union [Lithuanian National Union (LTS)] faction in parliament is going to vote against the appointment of Mindaugas Stankevicius to the prime minister's post.

The faction leader, Leonas Milcius, told the reporters on Tuesday [13 February] that the Nationalists found it unacceptable to keep to the policy on non-interference which some other opposition factions are going to take with regard to Mr. Stankevicius.

The leader of the Nationalist Union, Rimantas Smetona, accentuated the party's firm position that the president should form a qualitatively new government by calling early general elections.

The Nationalists' stand is supported by the Democrats and Political Prisoners and Deportees. On Wednesday these three factions are going to state their position to President Algirdas Brazauskas.

Meanwhile the Social Democrat's faction intends not to take part in the voting on the new prime minister at all. The faction will not obstruct the formation of the cabinet, it is not interested in destabilization or a parliamentary crisis.

This time the Conservative party leader Vytautas Landsbergis said on Monday that his faction did not have objections to the candidature of Mindaugas Stankevicius to the prime minister's post.

The majority Democratic Labor party faction is to make final decision on the day of the vote in parliament.

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